

REPORT

OF

THE COMMITTEE

TO EXAMINE THE EXISTING

SYSTEM

OF THE GRANT OF

SUBSIDY AND SUBVENTION

TO THE

FLYING AND GLIDING CLUBS

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MEMBERS OF THE COMMITTEE

- 1. Shri G. Narayanaswami, Retired Accountant General .. Chairman**
- 2. Lt. Col. G. V. Raja, President, Aero Club of India .. Member**
- 3. Shri Babar Mirza, Deputy Director, Training & Licensing,
Civil Aviation Department Member-Secretary**



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PART I
CHAPTER I
INTRODUCTORY

	PARAGRAPHS
Appointment of Committee and Terms of Reference	1—2
Preliminary Meeting and Issue of Questionnaire	3—8
Position Regarding Flying and Gliding Clubs and State Assistance in Foreign Countries	9
Programme of Enquiry	10
Visits to Clubs and Connected Institutions and Examination of Witnesses ..	11—12
Informal Talks with Shri B. Patnaik, Chief Minister of Orissa	13
Meeting with the Aero Club of India	14—17
Talks with Shri C. B. Gupta, Chief Minister of Uttar Pradesh	18
Talks with Shri L. C. Jain, Chief Secretary, Government of Uttar Pradesh ..	19
Conversation with Trainees and Staff at the Clubs	20
Meeting with the National Cadet Corps Directorate at New Delhi	21
Meeting at Trivandrum	22
The Committee called on the Governor of Kerala	23
Meeting with the Director General of Civil Aviation	24
Meeting with Shri Ahmed Mohiuddin, Deputy Minister of Civil Aviation ..	25
Meeting with the Minister for Transport & Communications	26
Meeting with the Secretary, Ministry of Transport & Communications (Departments of Communications & Civil Aviation)	27
Final Discussions within the Committee and Submission of Report	28

CHAPTER II
DEVELOPMENT OF FLYING CLUBS

Development of Flying Clubs	29
The rise of the Flying Club movement and their activities	30—34
Pattern of Financial Assistance to Flying Clubs	35—37
Government decision on the Subsidy Scheme recommended by the Master Committee	38—39
Subsidies received by the Clubs from the State Governments	40—41

CHAPTER III
TERMS OF REFERENCE OF THE COMMITTEE
AND SCOPE OF ENQUIRY

Terms of reference of the Committee & scope of enquiry	42—44
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CHAPTER IV
REVIEW OF REVENUE AND EXPENDITURE
OF FLYING CLUBS

Revenues of the Flying Clubs	45—50
Expenditure of the Flying Clubs	51—55

CHAPTER V
STANDARD COST OF OPERATION OF FLYING CLUBS

Standard cost of operation of Flying Clubs	56—60
---	-------

CHAPTER VI

FACTORS AFFECTING THE COST OF OPERATION OF THE FLYING CLUBS UNDER STANDARD CONDITIONS

	PARAGRAPHS
Trainer Aircraft	61—64
Utilisation of Aircraft	65—68
Staff at the Clubs and their Scales of Pay	69—70
Strength of Staff	71
Scales of Pay of Staff	72—75
Cadre of Chief Pilot Instructors and Chief Engineers	76
Service Conditions of Staff	77—81
Insurance of Pilot Instructors	82—89
Performance of Pilot Instructors	90—91

CHAPTER VII

SCHEME OF SUBSIDY AND SUBVENTION TO FLYING CLUBS

Scheme of subsidy and subvention to Flying Clubs	92
Existing Scheme of Subsidy	93—95
Results achieved by the Flying Clubs under the existing Subsidy Scheme	96—98
Future Scheme of Subsidy and Subvention to the Flying Clubs	99—101
Subvention	102
Bonus for Private Pilot's Licence issued	103—104
Bonus for Trainees who obtain Private Pilot's Licence	105—106
Subsidy for Satellite Centres	107—108
Financial effect of the new scheme	109
Effect of the new scheme on Clubs	110
Grants to the Clubs from State Governments	111

CHAPTER VIII

RESERVE FUNDS

Reserve Funds	112
Accident Reserve Fund	113—117
Investment of Accident Reserve Fund	118—119
Replacement Reserve Fund	120—123
Investment of Replacement Reserve Fund	124
Employees' Provident Fund	125
Investment of Employees' Provident Fund	126—130

CHAPTER IX

ACCOUNTING INSTRUCTIONS

Accounting Instructions	131—138
Subsidy Agreement, Extent of Financial Control by the Director General of Civil Aviation	139
Payment of Subvention and Subsidy Bills.	140—141
Submission of Returns/Statements by the Flying Clubs to the Director General of Civil Aviation	142
Social Activities at the Flying Clubs	143—149
Accounts of Stores kept at the Clubs	150

CHAPTER X

MISCELLANEOUS MATTERS RELATING TO FLYING CLUBS

	PARAGRAPHS
Management, Supervision and Control of Flying Clubs	151—160
Concessions to Office Bearers and Staff of the Clubs	161—162
Extravagant Expenditure incurred by the Clubs	163
Outstanding dues from Members	164
Spare Parts	165
Workshop facilities at Flying Clubs	166—169
Scheme of Grant of Scholarships for Flying Training	170—179
Training of Instructors for the Flying Clubs	180—184
Charges for Flying Training	185—188
Charges for Night and Cross-country Flying	189
Flying Charges for Foreign Nationals	190—192
Flying Charges for Joy Rides and Charter Flights	193
Insurance of Engineers and other Technical Staff	194—196
Other Insurances	197
Insurance of Trainee Pilots	198
Record and Scrutiny of Flying Time for Payment of Subvention	199
Commercial Pilot's Training at Flying Clubs	200—202
Remunerative activities at Flying Clubs	203
The Aero Club of India	204—209
Air Rallies	210
Development of Airmindedness Aeromodelling	211—213

CHAPTER XI

GLIDING CLUBS

Gliding Clubs	214
Consideration by Master Committee and its Recommendation	215
Decision of Government and Five Year Plans	216
Scope of Terms of Reference to this Committee	217
Pattern of Training	218
Syllabus for Training	219
Strength of Instructors and Winch Operators	220
Gliders and Other Equipment	221
Cables	222
Organisation of Gliding Clubs	223
Administration and Establishment of Gliding Clubs	224
Sources of Revenue	225
Existing Financial Position of the Gliding Clubs	226
Launching Fees	227
Standard Cost of Operation of a Gliding Club	228—229
Scheme of Subsidy for Gliding Clubs	230—232
Subsidy for Gliding Wings to be Organised by Flying Clubs	233
Conditions for starting a new Gliding Club under the Subsidy Scheme	234
Accounting Instructions and other matters	235
Gliding by National Cadet Corps Cadets	236
General	237

CHAPTER XII

SUMMARY OF RECOMMENDATIONS	238—303
------------------------------------	---------

CHAPTER XIII

ACKNOWLEDGEMENTS	304—305
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PART II

APPENDICES

<i>Appendix</i>	PAGE
I. Order of Appointment of the Committee	95
II. Questionnaire issued by the Committee (Not printed)	
III. List of bodies and persons to whom copies of the Committee's (Not printed) Questionnaire were sent	
IV. List of bodies and persons who sent replies to the Questionnaire (Not printed)	
V-A. Scheme of Subsidies to Flying Clubs sanctioned by Government of India in 1954	97
V-B. Scheme of Subsidies to branches of Flying Clubs sanctioned by Government of India in 1961	99
VI-A. Standard strength of staff of Flying Clubs	104
VI-B. Standard scales of pay for various categories of staff of Flying Clubs	105
VII. Forms of Budget Estimates, Balance Sheet, Income and Expen- diture Accounts of Flying Clubs (Not printed)	
VIII. Form of Monthly Expenditure return to be submitted by Flying Clubs (Not printed)	
IX. Important defects that came to notice during the test-check of records of Flying Clubs	107
X. Procedure for the accounting of Stores by the Flying Clubs	108
XI. Concessions granted to the Office Bearers of the Club or staff on Club's account during 1961-62	110
XII. Amounts written off by the Flying and Gliding Clubs during the last five years and the amounts outstanding for recovery from members	113
XIII. Summary of investment and consumption of spare parts at Flying Clubs during the years 1958-59 to 1960-61	114
XIII-A. Details of investment and consumption of spare parts at the Flying Clubs	115
XIV. Scheme of Subsidy to Gliding Clubs sanctioned by the Govern- ment of India in 1959	118
XV. Standard strength and scales of pay of staff at Gliding Clubs	120

CHAPTER I

INTRODUCTORY

Appointment of Committee and Terms of Reference

The Government of India, Ministry of Transport and Communications (Departments of Communications and Civil Aviation), constituted a Committee to examine the existing system of the grant of subsidy and subvention to the Flying and Gliding Clubs and to recommend the procedure to be followed in the maintenance of the accounts by the Clubs, by their Order No. 15-VE(35)/61, dated the 20th March, 1962. A copy of the Order is appended to the report (Appendix I).

2. The Committee started functioning from the 14th May, 1962, and concluded its deliberations on the 14th January 1963. Although the Committee was expected to submit its report to the Government in about three months time, it was found necessary to obtain further extension of time in order to enable the Committee to make a thorough study of the several aspects concerning the receipts and expenditure of the Clubs.

Preliminary Meeting and Issue of Questionnaire

3. The Chairman held informal discussion with the Director General of Civil Aviation on the 15th May, 1962. On the 25th May, 1962, the Flying Clubs were addressed to furnish statistical data in the prescribed proforma, by the 10th June, 1962. On the 31st May, 1962, the Gliding Clubs and Departmental Gliding Centres were similarly addressed and requested to furnish statistical data by the 15th June, 1962. A preliminary meeting of the Committee was held at Juhu Aerodrome, Bombay, on the 4th and 5th June, 1962. The Committee drew up a comprehensive Questionnaire covering all the aspects of its terms of reference. A copy of the Questionnaire is appended to this report (Appendix II). The Committee also drew up a programme of visits to various Flying and Gliding Clubs.

4. Copies of the Questionnaire were circulated to the Flying and Gliding Clubs, various Government Departments and other bodies and individuals, vide list given in Appendix III.

5. The Questionnaire was issued on the 5th June, 1962, and the 30th June, 1962, was fixed as the last date for the receipt of replies.

6. Neither replies to the Questionnaire nor statistical information was received by the prescribed date except from one or two clubs.

7. The visits of the Committee to the various places were given due publicity in order to enable all those interested to express their views before the Committee.

8. A list of the bodies and persons who sent replies to the Questionnaire is appended. (Appendix IV).

Position Regarding Flying and Gliding Clubs and State Assistance in Foreign Countries

9. The Committee addressed letters to some of the Indian Missions abroad and requested them to obtain information in respect of the working of the

Flying and Gliding Clubs in those countries and financial assistance given to such clubs by the State. Replies were received from some of the Missions and these have been duly considered.

Programme of Enquiry

10. The Committee visited the various Flying and Gliding Clubs and had discussion on the problems of clubs with the management, members and others and recorded oral evidence of all those interested. The Committee also discussed with the State Governments the extent and scope of the financial assistance rendered by them to the Clubs. The Committee made it a special feature of these visits to meet the trainees and the staff of the clubs with whom they had frank talks on all aspects of training which have a bearing on the finances of the clubs. The Clubs were visited in accordance with a pre-arranged schedule.

Visits to Clubs and Connected Institutions and Examination of Witnesses

11. During the first stage of its tour from 2nd to 20th July, 1962, the Committee visited the Flying Clubs at Trivandrum, Coimbatore, Bangalore, Madras and Hyderabad, and recorded oral evidence of their representatives and others. At Bangalore, the Committee also visited the Hindustan Aircraft Limited and had informal discussions with Shri Jai Shankar, its Chairman, who was kind enough to give his valuable time to the Committee. The Committee later met Dr. V. N. Ghatage, Deputy General Manager and Captain Dhargalkar, Sales Manager of Hindustan Aircraft Limited and pointed out to them the difficulties which the Clubs were experiencing in not having one standard type of aircraft for training purposes. Certain essential improvements to the Pushpak aircraft manufactured by Hindustan Aircraft Limited to suit the training requirements of Flying Clubs and availability of spare parts and their prompt supply to Clubs at reasonable prices were also discussed. The Committee then called on Air Vice Marshal S. N. Goel, Air Officer Commanding in Chief, Training Command, Bangalore, who was kind enough to give some valuable suggestions to the Committee in regard to the pattern of flying training at clubs and training of Pilot Instructors. The Committee also called on the Secretary, Public Works Department, Government of Mysore and had informal discussions with him on the scope of State Government assistance for flying and gliding activities within the State. At Madras, the Committee had useful discussion on training problems of clubs with Group Captain K. M. Agarwala, Officer Commanding, Tambaram. The Committee also called on the Secretary, Public Works Department, Government of Madras and had discussion with him on the question of State assistance to the Madras and Coimbatore Flying Clubs. At Hyderabad, the Committee called on Shri M. P. Pai, I.C.S., Chief Secretary, Government of Andhra Pradesh. Other Members of the Managing Committee of the Club were also present during these discussions. The Committee took this opportunity to visit the Central Training Establishment of the Indian Airlines Corporation at Begumpet and informally exchanged views with Captain Kapur regarding standard of flying training to be achieved at the Clubs.

12. During the second stage of the Committee's tour from the 30th July to 6th August, 1962, the Committee visited the flying clubs at Bhubaneswar, Calcutta and Gauhati and recorded evidence of their representatives, trainees-

and staff. Members of the Committee also visited the offices of the Aeromodellers Association, Calcutta, and met Shri K. L. Roy, Chairman-Secretary of the Association who explained to the Committee the functions and activities of the Association. The Committee later visited the workshops of Aeronautical Services Limited at Dum Dum where gliders are being manufactured. In the absence of the Secretary, the Committee called on the Deputy Secretaries, Home (Transport) Department and Education Department of the Government of West Bengal and informally exchanged views with them on the need for having proper flying training facilities in the State with particular reference to the affairs of the Bengal Flying Club.

Informal Talks with Shri B. Patnaik, Chief Minister of Orissa

13. The Chief Minister who is himself a well known and eminent flier was kind enough to receive the members of the Committee. They had a very useful discussion with him on the scope of flying training at clubs, manufacture of suitable aircrafts in the country and utilisation of pilots so trained. The Committee members also met Shri H. H. Singh, Minister of Transport and Vice-President of the Orissa Flying Club and informally discussed with him the scope and extent of financial assistance for promotion of flying and gliding activities in the State.

Meeting with the Aero Club of India

14. At Delhi on 11th August, 1962, the Committee attended a meeting of the Aero Club of India and discussed with its representatives the various problems facing the Clubs.

15. During the third stage of the Committee's tour from the 22nd to 31st August, 1962, the Committee visited the Flying Clubs at Nagpur, Baroda and Bombay and the Gliding Centre at Poona. The Committee also met the representatives of the Governments of Gujarat and Maharashtra at Ahmedabad and Bombay respectively.

16. During its fourth stage of the tour from the 18th to 25th September, 1962, the Committee visited the Flying Clubs at Patna, Indore and Bhopal and also paid a visit to the Banaras University. At Patna the Committee held very useful discussions with Shri T. P. Singh, Vice-President of the Club, other officials of the State Government and Shri B. C. Patel, Finance Minister of Bihar, who is also the President of the Bihar Flying Club. At Bhopal the Committee exchanged views with the representatives of the Government of Madhya Pradesh on the scope and extent of financial assistance to the Clubs in the State.

17. During the fifth stage of the Committee's tour from the 3rd to 25th October, 1962, the Committee visited the Flying Clubs at Jullundur, Jaipur, Lucknow, Kanpur, Allahabad, Delhi and Banasthali Vidyapith. The Committee also visited Chandigarh and the Civil Aviation Training Centre at Allahabad, including the Gliding Centre. At Chandigarh the Committee had useful discussion with Shri Niranjana Singh Talib, Public Works Minister of Punjab who was kind enough to give his valuable time to the Committee and also with Shri Santokh Singh, State Aviation Adviser. Shri Santokh Singh gave to the Committee a programme for organising flying and gliding clubs and for providing all possible facilities for spreading airmindedness in the State. At Jaipur Shri M. D. Mathur, Home Minister of the Government

of Rajasthan was kind enough to discuss with the Committee the State Government's help for promoting flying and gliding activities in the State. The Committee brought to his notice the desirability of providing some technical assistance from the Rajasthan Flying Club to the newly formed Flying & Gliding Club at Banasthali Vidyapith and also for encouraging its activities by giving free flying scholarships and some financial assistance to help the Institution to stabilise its position. Matters pertaining to the Rajasthan Flying Club were also discussed. The Committee was informed that an Economy Committee had been formed by the Government to look into the financial position of the Rajasthan Flying Club which would *inter alia* consider ways for effecting economy in the Club expenditure.

Talks with Shri C. B. Gupta, Chief Minister of Uttar Pradesh

18. The Chief Minister was kind enough to give his valuable time to receive the Members of the Committee at Lucknow. He expressed the hope that as a result of the deliberations of the Committee, the Clubs would be able to expand their functions.

Talks with Shri L. C. Jain, Chief Secretary, Government of Uttar Pradesh

19. While at Lucknow the Members of the Committee called on Shri L. C. Jain, Chief Secretary to the Government of Uttar Pradesh. Shri Jain who was himself closely associated with the development of flying and gliding activities in the country when he was the Director General of Civil Aviation, gave some very useful suggestions to the Committee.

Conversation with Trainees and Staff at the Clubs

20. The trainees were generally keen to obtain Commercial Pilot's Licence and desired to be permitted to do so at subsidised rates. They were unanimous in their view that just as the Universities are not precluded from conducting courses in various subjects because of unemployment position, there should be no need to link up the training for Commercial Pilot's Licence with the scope for employment. The members of staff generally represented that their service conditions, pay scales and allowances require improvement with a view to provide them security and incentive. These and various other points arising out of these discussions have been examined in their proper places in this report.

Meeting with the National Cadet Corps Directorate at New Delhi

21. The Chairman and the Member-Secretary of the Committee called on Air Commodore Sita Ram, Director, National Cadet Corps on 6th November, 1962. Various problems connected with the National Cadet Corps training were discussed. It was gathered that the National Cadet Corps were contemplating doubling their strength which would give the Flying Clubs additional flying hours. The National Cadet Corps Directorate proposed to continue the training of National Cadet Corps Cadets both on powered aircraft as well as on gliders as at present.

Meeting at Trivandrum

22. The Committee had a meeting at Trivandrum on the 11th November, 1962, followed by another meeting on the 14th November, 1962. The Committee members also attended the meeting of the Aero Club of India at Trivandrum on the 12th and the 13th November, 1962, wherein various

technical problems facing the Clubs and having a bearing on the subject of financial assistance to the Clubs were discussed. The Members of the Committee also attended the Flying Clubs' Conference held at New Delhi on the 12th and 13th December, 1962.

The Committee called on the Governor of Kerala

23. The Committee alongwith other members of the Aero Club of India called on Shri V. V. Giri, Governor of Kerala and explained to him the scope of the Committee's work. Shri Giri showed keen interest in the development of flying and gliding activities. The members were later entertained to tea by the Governor.

Meeting with the Director General of Civil Aviation

24. The Chairman held informal discussion with the Director General of Civil Aviation, Shri R. N. Kathju, on the 4th November, 1962. The entire Committee then called on the Director General of Civil Aviation on the 6th December, 1962, and had frank discussion with him on a number of problems. Shri M. C. Dikshit, Director of Training & Licensing also participated in these discussions.

Meeting with Shri Ahmed Mohiuddin, Deputy Minister of Civil Aviation

25. After meeting Shri T. R. Manton, the Deputy Secretary, Ministry of Transport and Communications, the Committee called on Shri Ahmed Mohiuddin, Deputy Minister of Civil Aviation on the 13th December, 1962. The Deputy Minister was apprised of the visit of the Committee to various Flying and Gliding Clubs and the discussions which the Committee had with the State Government officials on the scope of financial assistance to the Clubs. The role of Flying and Gliding Clubs and the question of replacing some of the old aircraft now in use at the Flying Clubs with more advanced types and the difficulties facing the Clubs in respect of the procurement of spare parts were also discussed in general.

Meeting with the Minister for Transport and Communications

26. Shri Jagjivan Ram, Minister for Transport and Communications was kind enough to receive the Members of the Committee on the 14th December, 1962. The Chairman apprised him of the progress of the work done by the Committee. Certain important aspects of the Flying and Gliding Club movement were also discussed with him.

*Meeting with the Secretary, Ministry of Transport and Communications
(Departments of Communications & Civil Aviation)*

27. On the 15th December, 1962, the Committee called on Shri M. M. Philip, Secretary, Ministry of Transport and Communications (Departments of Communications & Civil Aviation) and had useful discussions with him.

Final Discussions within the Committee and Submission of Reports

28. The recording of oral evidence was completed on the 25th October, 1962. Thereafter, in a series of meetings the Committee considered the general principles on the conclusions to be reached on the terms of reference and discussed the draft report. The report, duly signed by all the members of the Committee, was submitted to Government on the 14th January, 1963.

CHAPTER II

DEVELOPMENT OF FLYING CLUBS

29. Before discussing the scope of the terms of reference to this Committee it is essential to understand the historical development of the Flying Clubs in India and the pattern of assistance which they have been receiving till now. These matters are dealt with in the following paragraphs.

The rise of the Flying Club movement and their activities

30. The historical background to the flying clubs movement in the country has already been described in some detail in the Master Committee Report. The Committee has, therefore, felt it necessary only to mention briefly some of the important aspects of the flying clubs movement and their development. The establishment of the light aeroplane clubs in the United Kingdom, and in other countries created a strong desire in the country for the establishment of similar clubs in India. The year 1928 is the first important landmark in the history of the civil flying movement in the country, when the Flying Clubs at Calcutta, Bombay, Delhi and Karachi were started at about the same time. This was followed by the establishment of a club at Madras in 1929, at Lahore, Kanpur and Jodhpur in 1932 and at Hyderabad in 1936. The United Provinces Flying Club at Kanpur had a branch at Lucknow. During the period of Second World War only one Club came into existence. That was the Bihar Flying Club at Patna in 1941. The Jodhpur Flying Club did not revive its activities after the war. During the post-war period the United Provinces Flying Club was amalgamated with the Hind Provincial Flying Club at Lucknow which came into existence in March, 1946. Subsequently in November, 1946, the Orissa Flying Club was registered. After the partition of the country in August, 1947, a Club was started at Jullunder by the members formerly connected with the Flying Club at Lahore. The Flying Training School at Bangalore and the Club at Nagpur came into existence in 1948 and 1949 respectively. The Hyderabad State Aero Club had to be closed in 1951 as the poor demand for flying could not sustain its activities. Under the development programme of the First Five Year Plan, Flying Clubs at Jaipur and Indore came into existence. The Hind Provincial Flying Club also started Satellite Centres at Allahabad and Kanpur. During the Second Five Year Plan, Flying Clubs were established at Gauhati, Trivandrum, Baroda and Coimbatore, and the activities of the Flying Club at Hyderabad were also revived in February, 1958. The Madhya Pradesh Flying Club, Indore, established a Satellite Centre at Bhopal in September, 1960. All States with the exception of Jammu and Kashmir State have now at least one Flying Club each.

31. Fifteen more Flying Clubs are proposed to be established during the Third Plan period. Rajasthan Flying Club established a gliding wing in November 1960, but it stopped functioning after about a month on account of the breakdown of the winch. Banasthali Vidyapith in Rajasthan which is an educational Institution exclusively for girls also established a gliding club in December, 1961, and also purchased one Pushpak aircraft for starting a flying club. The gliding activities were, however, stopped after about a

month on account of an accident to the glider. Proposals for the establishment of Flying and Gliding Clubs at Ahmedabad, Raipur, Patiala, Faridkot and Amritsar and the establishment of Gliding Wings by the Flying Clubs at Hyderabad, Madras, Trivandrum, Nagpur, Indore and Bhopal have already been agreed in principle.

32. During the pre-war period (1928 to 1939) the activities of the Flying Clubs were limited in scope as there was no appreciable demand for 'B' Licence holders. During the period of war the Clubs trained a large number of pilots and Pilot Instructors for meeting the needs of the Air Force. The Clubs also undertook to carry out army co-operation duties and flying for anti-aircraft training. Subsequently these activities were generally taken over by the Air Force. In 1946, when these special activities came to an end, the Clubs were again permitted to resume their normal peace time activities. During the post-war period from 1946 to 1948 several Airline Companies came into being and eleven companies were licensed to operate scheduled air transport services. This resulted in an unusual demand for the services of pilots holding 'B' Licences. As the airlines offered high wages large number of trainees at the Flying Clubs commenced training for issue of 'B' Licence.

33. In 1952 Government of India constituted a Committee (Master Committee) to examine the system of Civil Air Pilot's training in all its aspects. Amongst its other recommendations, the Committee held that private sport flying should be continued at Flying Clubs; no restrictions should be placed on clubs training Commercial Pilots but the cost should be borne by the trainees instead of being subsidised by Government. The Committee also felt that the Flying Clubs in their existing atmosphere, equipment and development could not give necessary training for Commercial Pilots. These recommendations were accepted by Government in 1954. To avoid any hardship, however, those persons, who were already under training for 'B' licence and who had certain number of flying hours to their credit, were permitted to complete their training for issue of 'B' Licence at subsidised rates.

34. In October, 1957, Government of India set up another Committee known as Raha Committee to review the existing facilities for the selection, training and licensing of Civil Air Pilots and to examine the existing system of selection for admission for training at a Flying Club and for admission to the Training Centre, Allahabad, and recommend measures for improving the methods of selection for admission to these institutions. The Committee arrived at the conclusion that the following definite role of training may be allocated to the Flying Clubs :—

- (i) Hobby flying to the extent available under the subsidy scheme (100 hours in the first year and 50 hours in each subsequent year).
- (ii) Training of National Cadet Corps Cadets to the extent required under the instructions of the National Cadet Corps Directorate.
- (iii) Training for obtaining the Private Pilot's Licence with a view to provide material for recruitment to the Commercial Pilot's course at the Flying School.

The Committee recommended that nothing should be done which might have the effect of throttling the development of the Flying Club movement and that

there was no need to institute any system of selection for entry into the Flying Clubs, the only requirement being that flying members fulfil the medical fitness standard prescribed for the Private Pilot's Licence. The Committee did not recommend the provision of elaborate ground equipment such as synthetic flight trainers, etc., at the Flying Clubs. It held the view that it would be sufficient if the Flying Clubs equip themselves to provide basic knowledge of engines and airframes, elementary navigation and elementary knowledge of Indian Aircraft Rules and Meteorology for qualifying candidates for Private Pilot's Licence. These recommendations of the Committee were accepted by Government and the Clubs are working at present on this pattern.

Pattern of Financial Assistance to Flying Clubs

35. The Flying Clubs have been receiving financial assistance from the very start as it was recognised that the Clubs cannot function, or impart training in flying without Government assistance. Apart from the Central Government subsidies, most of the State Governments in which the Flying Clubs are situated have also been subsidising the Clubs in one form or the other. At present, the Delhi and the Coimbatore Flying Clubs are the only Clubs which do not receive any subsidy from the State Government. The Committee however understands that the Government of Madras is actively considering the question of financial assistance to the Coimbatore Flying Club. A substantial portion of the subsidies paid by the States of Bihar, Madhya Pradesh and Uttar Pradesh is intended to cover a portion of the expenditure of the Clubs on the running and maintenance of the aircraft of the State Governments. The inclusion of such expenditure in the accounts of the Clubs which receive subsidies does not therefore enable one to get a correct picture of their cost of flying per hour for training purposes.

36. The Clubs were given financial assistance from year to year till 1935. This did not enable them to plan for more than one year. Government, therefore, introduced a revised system of subsidy which was to remain in force for three years from 1935-36. The revised subsidy scheme enabled the Clubs to reduce their flying charges from Rs. 45 to Rs. 35 per hour. The Clubs were, however, experiencing difficulty in securing trainees who could afford to pay such high cost of training. Government, therefore, introduced a new scheme of subsidy to cheapen the cost of training at the Clubs and also loaned one Tiger Moth aircraft to each of the then existing seven Clubs. From the year 1946-47 when the war ended and the Clubs resumed their activities, Government introduced another new scheme of subsidy to Flying Clubs. The scheme provided for a fixed annual subsidy of Rs. 40,000 (later reduced to Rs. 30,000) to meet overhead charges, flying subvention at Rs. 20 per hour flown, for persons below 28 years of age, a bonus of Rs. 5 per hour flown in excess of 1,000 hours in a year and a bonus of Rs. 250 for each 'A' Licence issued. No subvention was paid in respect of pilots above 28 years of age. The trainees were required to pay at Rs. 25 per hour if they were below 28 years of age and Rs. 45 per hour if they were above 28 years of age. They also had to pay an additional sum of Rs. 20 per hour for night flying. Government also loaned aircraft to clubs, sanctioned capital grant for construction of hangar, provided buildings and hangars and exempted the aircraft of the Clubs from landing fees at their home aerodromes. This substantial help enabled the Clubs to widen their activities during the post-war period.

37. In 1952, the question of financial assistance to Flying Clubs was again reviewed by the Master Committee which made the following recommendations :—

- (i) To spread airmindedness, persons at Flying Clubs below 28 years of age should be charged only Rs. 10 per hour and persons above 28 only Rs. 15 per hour irrespective of nationality for issue of Private Pilot's Licences and renewal of licences only. Any person, irrespective of age, going for sport flying should be charged at Rs. 25 per hour subject to a maximum of 20 hours in a year and the total subsidised flying at a club being not more than 4,500 hours.
- (ii) Each of the 10 Flying Clubs (then existing in the country) should be assured of a minimum work of 3,500 hours of flying in a year, subject to a maximum of 4,500 hours. For this purpose, the strength of the National Cadet Corps Senior Division Air Wing should be doubled. If State Governments do not undertake to meet the extra expenditure involved, the Central Government should increase the subsidies to the Clubs to that extent. If the Clubs did not get 3,500 hours of flying the balance should be made up by giving free training to College and University teachers and students. The increase in subsidy necessary for the purpose will range between Rs. 3.4 to 5.8 lakhs according as State Governments agree to accept the extra financial burden or not. The assistance from the Centre should be so rationalised that the budgets of the Clubs are balanced after taking into account the various incomes of the Clubs.
- (iii) Government should adopt a uniform basis of financial assistance for flying training imparted at Clubs and at the Flying School of the Civil Aviation Training Centre or any other institution.

The Committee worked out the cost of operation of a Club doing 3,500 hours per year at Rs. 80 per hour. The detailed working of the cost is given on pages 126 and 127 of its report.

Government decision on the Subsidy Scheme recommended by the Master Committee

38. Government considered these recommendations of the Committee for subsidising the Clubs and evolved a Scheme of their own for payment of subsidy and subvention to the Flying Clubs in India. The Government held that the main factor for the unsatisfactory financial position of the Flying Clubs had been that the demand for training had declined while the establishment at the Clubs had continued to be on a high level. Government, therefore, came to the conclusion that in order to place the Clubs on a stable footing, the Clubs should be classified into four categories according to the amount of instructional flying done by them during the previous year. The Government also proposed that the staff strength at the Clubs should be standardised and subsidy to the Clubs should be determined on the basis of estimated expenditure of Clubs under standard condition. It was accordingly decided to pay the Clubs for a period of one year from 1954-55 a fixed subsidy, payable in quarterly instalments and subvention at specific rates per hour of flying by various categories of trainees. The details of the scheme are

given in Appendix V-A. This scheme of subsidy, however, continues to be in force and the Clubs are being classified and subsidised on this basis.

39. From the same year (1954-55) Government also instituted a system of scholarships at the Flying Clubs, with a view to bring flying within the reach of young men of moderate means. Under the scheme 50 persons were to be provided free flying training for 50 hours each at the various Flying Clubs each year. This scheme continues to be in force. The number of scholarships has since been increased to 60. 12½ per cent of these scholarships were reserved for Scheduled Caste and Scheduled Tribe candidates subject to availability of suitable candidates. This in practice works out to one scholarship for a Scheduled Caste and one for a girl candidate out of four scholarships allotted to each Flying Clubs. The reservation for girl candidates has recently been discontinued. Government also proposed that the grants given by the State Governments to the Flying Clubs should be kept independent of the grants for the maintenance of their aircraft for rendering other services to the State. Government were of the opinion that the best method would be for the State Governments also to give a large number of free flying scholarships on the same lines as sanctioned by the Government of India. Government proposed to pursue the matter with the State Governments as the scheme would have the merit of ensuring that the assistance is directly related to the flying training given and will add to the economic strength of the Clubs, as their work load would increase. The above scheme did not provide for any additional subsidy for any branch of a Flying Club which may be established away from the base of the main Club. However, the flying done at the branches counted for the classification of the main Club. Subsequently, in September, 1961, Government sanctioned a scheme of additional subsidy for the branches and the Clubs were given the option either to count the hours done at the branches towards the classification of the main Club or to elect the scheme of subsidy sanctioned for the branches. The details of the scheme are given in Appendix V-B. So far none of the Centres has been subsidised under this scheme and the Clubs concerned continue to count the flying done at their branches towards the classification of the main Club.

Subsidies received by the Clubs from the State Governments

40. All the State Governments have been financially helping the Flying Clubs in one form or the other. The assistance is in the shape of recurring and non-recurring grants for training purposes, grants for services rendered, loan of aircraft, award of free flying scholarships and for flying by National Cadet Corps Cadets. The nature or extent of assistance, however, varies from State to State. All the Flying Clubs excluding the Clubs at Patna, Coimbatore, Delhi and Baroda, have been receiving recurring grants every year from the State Governments towards flying training. The Flying Clubs at Gauhati, Baroda, Lucknow (Hind Provincial Flying Club), Trivandrum, Jullundur, Indore and Jaipur have also received non-recurring grants at one time or the other from the State Governments. The Flying Clubs at Patna, Lucknow (Hind Provincial Flying Club) and Bhopal (Madhya Pradesh Flying Club), have been receiving grants for services rendered to the State Governments. The Government Flying Training School at Bangalore is run by the State Government and its deficit, if any, after taking into account the Central Government subsidy is met by the State Government. All the Flying Clubs with the exception of Assam, Coimbatore and Kerala Flying Clubs, have

been providing training to the National Cadet Corps Cadets. The State Governments have been awarding free flying scholarships at the Clubs within their jurisdiction, the only exception being the Clubs at Bombay, Nagpur and Coimbatore. The Government of Orissa and Rajasthan have sanctioned special loans of Rs. 1,00,000 and Rs. 1,25,000 respectively to the Flying Clubs at Bhubaneswar and Jaipur to tide over their financial difficulties. The amount of financial assistance from the State Governments received by the Flying Clubs during the past three years is as under :—

	1958—59	1959—60	1960—61
	Rs.	Rs.	Rs.
(i) Recurring grants	2,80,299	2,86,668	4,15,848
(ii) Non recurring grants	1,80,000	4,74,500	6,16,000
(iii) Grants for services rendered	7,45,973	8,03,912	6,38,179
(iv) Loans	—	73,000	—
TOTAL	12,06,272	16,38,080	16,70,027
Gross Revenue of the Clubs	33,81,141	37,08,274	40,35,832
Percentage of assistance by State Governments (excluding loans and capital grant to Gross Revenue of the Clubs)	28.37%	24.65%	27.19%

41. It will be observed from the figures given above that while the assistance from the State Governments forms an important part of the Clubs' revenue, the amount and nature of assistance is not uniform. This factor affects the financial working position of the Clubs, and also makes it difficult to determine the actual cost of operation for flying training, as distinct from flying on State Government account and maintenance of State Government aircraft.

CHAPTER III

TERMS OF REFERENCE OF THE COMMITTEE AND SCOPE OF ENQUIRY

42. The terms of reference of this Committee embrace a wide field of enquiry. The Committee has not only been required to work out the standard cost of operation of the Flying and Gliding Clubs but also to review the existing subsidy schemes with a view to determine whether the results achieved have been satisfactory and to make recommendations for the modification of the existing schemes of subsidy and subvention and the procedure to be followed in the maintenance of the accounts. In suggesting a modification of the existing scheme particular regard has to be paid to the cost of operation of the Clubs, their sources of revenue and other matters. The Committee had, therefore, to go into all matters connected with the receipts and expenditure of the Clubs and also to examine all other relevant factors which have the slightest bearing on the financial working of the Clubs. The Committee was thus faced with the task of analysing the expenditure pattern of the various Clubs and to go into the question of the types of aircraft operated by the Flying Clubs, their cost of operation, maintenance of aircraft, the strength and the pay structure of the Club employees, the pattern of training adopted, supervision and control of the Clubs and all other matters necessary for effecting suitable economies in expenditure incurred by the Clubs. Besides, the Committee had also to examine the financial implications of the new licensing rules which came into force in September, 1962.

43. The working of the existing Subsidy Scheme had revealed certain anomalies and these had to be examined in detail, with a view to evolve a reasonable modified scheme of subsidy on the basis of the existing conditions. The Committee went into the question of determining the results achieved in the past by the grants-in-aid sanctioned by Government to these Clubs, and to see how far these were justified and could be improved, on the assumption that these Flying and Gliding Clubs would continue their activities on the existing pattern. The Committee also examined how the sources of revenue of the Clubs other than the grants-in-aid from the Central and State Governments could be improved and how the functions of the Clubs could be enlarged for purposes other than those of merely affording opportunities for National Cadet Corps and hobby flying. The Committee had to review the accounting instructions issued in the past, the manner in which the accounts are prepared by the Clubs, and to make suggestions for any changes that may be necessary in order that the accounts may give a true picture of the activities of the Clubs. For this purpose, the Committee had to obtain from all the Clubs, detailed information on many items of their receipts and expenditure.

44. The Committee's observations on all the above aspects and their recommendations to Government on them are detailed in the succeeding chapters of this report.

CHAPTER IV

REVIEW OF REVENUE AND EXPENDITURE OF FLYING CLUBS

Revenues of the Flying Clubs

45. A statement (Statement No. 1) showing the income, expenditure, surplus/deficit of all the Flying Clubs during the three years ending 1960-61 is attached to the report.

46. The sources of revenue of the Clubs are :—

- (i) subsidies and subventions from the Central Government;
- (ii) subsidy and grants from the State Governments;
- (iii) fees paid by the trainees; and
- (iv) membership fees and other receipts from joy rides, charters, etc.

The Master Committee had analysed that against a total expenditure of all the Clubs for the three years ending the 31st March, 1952, amounting to Rs. 97,67,056, the amount received by them by way of subsidies, flying fees and other receipts came to Rs. 93,99,103 leaving a deficit of Rs. 3,67,953. During the same period subsidy (i) from Central (ii) from State Governments and (iii) fees paid by trainees and members and other receipts, formed 37½ per cent, 27½ per cent and 35 per cent of the total income respectively. That Committee while formulating proposals for subsidy to the Clubs stated as follows :—

“We are, however, conscious of the fact that all Clubs will not receive financial assistance from the States. We also realise that the amount of the financial assistance which the different Clubs will receive will not be also on a uniform basis. It is true that the amount of help which a Club will receive from a State cannot be utilised for financing the activities of the other Club. It is, therefore, important that the Centre, in making its financial contribution, should take that factor into consideration. We, therefore, recommend that the total amount of financial assistance to be given to the Flying Clubs from all sources should be so rationalised that the Centre should give it such an amount for balancing its budget as will be necessary to fill the gap, after taking into consideration the income received by the Club from all other sources, including the financial assistance received from the State.”

47. The Government of India, however, formulated a new scheme of subsidy in order to place the Clubs on a stable footing by classifying the Clubs into four categories according to the amount of flying done by them during a year.

48. The revenues which accrued to the Flying Clubs, on the basis of of the schemes formulated by the Government of India were, however, not exactly on the pattern envisaged by the Master Committee. The grants given by the State Governments in the past for maintenance of their aircraft or for other services rendered to them have not also been kept independent by the Flying Clubs concerned, as proposed by Government.

49. During the three years ending the 31st March, 1961, the total expenditure and revenue of all the Clubs from all sources amounted to Rs. 1,24,64,868 and Rs. 1,11,25,247 respectively resulting in an overall deficit of Rs. 13,39,621, *vide* Statements No. 2 and 3. The revenue from the various sources was as under:—

	Rs.	
Subsidy and subvention from the Central Government including free flying scholarships.	59,72,961	53.7 per cent of the total income.
Subsidy/Subvention/Grant from the State Governments	32,35,479	29 per cent of the total income.
Membership fees/flying charges and other receipts including receipts from the State Government towards N.C.C. and free flying scholars ..	19,16,807	17.3 per cent of the total income.

50. The above figures reveal that as compared to the three years ending the 31st March, 1952, during the past three years the revenue of the Clubs from the Central Government has increased from 37½ per cent to 53.7 per cent; that from the State Governments has not varied appreciably viz. from 27½ per cent to 29 per cent; the subscriptions and other receipts by way of fees paid by the trainees, joy rides, etc. have, further, decreased from 35 per cent to 17.3 per cent. Further, during the same period, the overall deficit has increased from 3.9 per cent to 12.04 per cent.

Expenditure of the Flying Clubs

51. The main reason for the increase in the overall deficit in the working of all the Flying Clubs is attributed to the increase of expenditure on Instructors Engineering staff and Administration, in addition to an increase on all items relating to the cost of maintenance of the aircraft. The total expenditure in all the Flying Clubs has increased from Rs. 38,36,145 in 1958-59 to Rs. 44,18,466 in 1960-61. An analysis of the increase in expenditure can be seen from Statement No. 4. The detailed figures are given in Statements No. 5(a), 5(b), and 5(c). The total number of hours flown in all the Flying Clubs has, however, not shown an increase comparable to the increase in the expenditure. The cost of flying per hour had increased from Rs. 106.8 in 1951-52 to Rs. 137.6 in 1958-59. The corresponding figure for 1960-61 works out to Rs. 135.3. These figures are inclusive of the cost of operation of the State Government aircraft maintained by certain Clubs, as no expenditure figures on the cost of their operation are separately available.

52. The Committee examined in detail the general complaint of the managements of all the Flying Clubs that due to a substantial increase in the cost of spares, fuel, oil and in the pay and allowances of their employees, it has been practically impossible for them to control the cost of operation of flying within the existing scales of subsidies and subventions paid by the Central and the State Governments from year to year and as a result they had to accumulate large deficits. On analysing the figures of expenditure incurred by the Clubs during the last three or four years, the Committee noticed that though there has not been an appreciable increase in the cost of petrol and oil, there has been a substantial increase in pay of establishments, the cost of spares, labour charges, etc. as compared to the level of cost for similar services obtaining in the year 1953-54. The Committee is

of the view that besides the increase in cost under these items, the deficit in the working of some of the Clubs is also largely due to a combination of one or more of the following factors :—

- (i) Excess fleet of aircraft;
- (ii) Poor utilisation of aircraft;
- (iii) Inflated rates of pay of staff (Instructors, Engineers, etc.);
- (iv) Excessive staff;
- (v) Lack of adequate supervision and control;
- (vi) Improper planning for the purchase of stores and equipment;
- (vii) Injudicious payments.

The Committee's detailed observations and recommendations on these factors are given later in this report.

53. Since the Flying Clubs primarily subsist on Government grants, the aim of the Clubs should be to attain maximum efficiency at a minimum cost. Considering the present state of affairs existing in most of the Clubs and the existing price level, the Committee feels that it is quite necessary for the Managing Committees of the Clubs to keep a close watch on the operational costs with a view to see that as far as possible expenditure is kept to a minimum.

54. To exercise an adequate control over expenditure, the Clubs should take action particularly in regard to the following :—

- (i) Before the beginning of the year, an estimate should be prepared of the requirements of spares, equipment, tools and other stores for the following year and the progress of expenditure watched against these estimates.
- (ii) There should be a phased purchase of the requirements according to needs. Excessive purchases of stores and spares, should be avoided. Purchases should be made by inviting quotations from all dealers wherever possible and prices compared with other Clubs, if considered excessive.
- (iii) There should be a proper control of materials issued from stores, and a periodical verification of stocks.

55. The above features point to the necessity of fixing the standard cost of operation of each class of Flying Clubs in relation to the number of aircraft and the number of hours flown, in order that the expenditure may be regulated according to the standard cost. The considerations which weighed with the Committee in determining the standard cost of operation are explained in the subsequent chapter of this report.

CHAPTER V

STANDARD COST OF OPERATION OF FLYING CLUBS

56. The determination of standard cost of operation of Flying Clubs envisages that reasonably standard conditions are obtaining at the various Flying Clubs. The important conditions in this regard are :—

- (i) Standard trainer aircraft (both in terms of type and number required for each class of Club).
- (ii) Standard yardstick to determine the staff required (both in terms of category and the number required in each category).
- (iii) Standard scales of pay for the instructional, engineering, technical and administrative staff.
- (iv) Uniform working conditions.

57. The Committee appreciates that in the existing circumstances it would not be possible to standardise the fleet of aircraft at various Clubs. Most of the Clubs have a mixed type of fleet. The Clubs continue to patronise the imported types of trainer aircraft which, in most cases, have been in use since long. None of the Clubs seems to be inclined to part with such aircraft even though some may be in excess of their requirements and it may be very uneconomical to maintain them or to procure spare parts for them. For the purpose of working out the standard cost of operation, cases of such Clubs cannot be isolated. The rates of pay and allowances given to the staff also vary considerably. There is also excess staff in some Clubs. The Committee has, however, attempted to work out a fair and reasonable standard cost of operation of Flying Clubs based on different levels of performance. This has been arrived at after taking into consideration the mixed utilisation of different types of aircraft like the Pushpak, the Chipmunk and the Tiger Moth, and on the following basis, which are considered to be reasonable under normal conditions :—

- (i) A minimum of 500 hours of annual flying as the performance level for each airworthy aircraft has been taken. In the working statements, the number of aircraft in a Club expected to perform 800 hours of flying has been taken as 2 and an additional aircraft for every four hundred hours of operation on an average has been provided. This leaves a margin of one spare aircraft which may remain unserviceable for every three serviceable aircrafts.
- (ii) The relationship between dual and solo flying has been estimated as 60 : 40 (based on past performance and the possible increase in the number of dual hours to meet advanced training standards in conformity with the new licensing rules).
- (iii) A minimum annual instructional flying of 400 hours for Chief Pilot Instructor and 500 hours for other Pilot Instructors and Assistant Pilot Instructors.
- (iv) The standard strength adopted for the staff in all grades (Flying, Engineering and Administrative) and the scales of pay for each category are given in Appendices VI (A) and VI (B). The

average cost of these scales has been taken into account. Higher stages of the scales have been allowed in the case of more senior staff. The allowances have been worked out on an *ad hoc* basis keeping in view the State Government rates and the higher incidence of cost due to prevailing scales of pay.

- (v) The consumption of fuel and oil varies with the type of aircraft. The price of petrol also varies from place to place on account of the transport charges and variation in local taxes. All these factors have been taken into consideration and an average of Rs. 20 per hour has been arrived at and this seems to be quite adequate to meet the cost of petrol and oil consumption.
- (vi) The consumption of spares for maintenance and for annual overhaul of airframe and engines also varies according to type of aircraft operated. Based on an average consumption of spares for maintenance and overhaul of airframe and engine, the Committee estimated that a standard rate of Rs. 12 per hour is adequate to cover such cost. This includes a proportion of labour costs for engine overhaul as only a few Clubs have engine overhaul facilities.
- (vii) All the Flying Clubs have insured their Pilot Instructors for varying sums. The Committee, however, considers that the insurance benefits should be commensurate with the responsibility and the risk involved in Club flying on light trainer aircraft. The insurance premium has been worked out for the following amounts :—

Chief Pilot Instructor	..	Rs. 35,000.
Senior Pilot Instructor	..	Rs. 25,000.
Junior Pilot Instructor	..	Rs. 20,000.
Assistant Pilot Instructor	..	Rs. 15,000.

(Vide recommendation made in paragraph 86 of this report).

- (viii) Some Clubs have insured their ground staff (e.g. Chief Engineer, Assistant Engineer, Mechanics and Cleaners) against ground and flying risks, the premium being paid out of the Club revenues. It is, however, felt that the normal criteria in case of such staff should be that only a qualified Engineer who is required to go on test flights should be insured for a reasonable amount against flying risk for a specified number of hours. The following amounts for insurance have been considered reasonable for such purpose :—

Chief Engineer (for 25 hours)	..	..	Rs. 15,000.
Assistant Aircraft Maintenance Engineer (for 25 hours)	..	..	Rs. 10,000.

- (ix) Depreciation on airframe and engine has been worked out on the average value of the fleet. The present rate of depreciation at 10 per cent of the airframe per annum and 1/4500th per hour for engine has been found reasonable in the prevailing circumstances. The ratio of the values of airframes and engines varies

according to the types of aircraft. However, for the purpose of calculation, the Committee has adopted an average figure of Rs. 14,500 for the airframe and Rs. 7,500 for the engine on the following basis :—

Type of aircraft	Value of airframe	Value of engine
Pushpak	15,000	7,500
Tiger Moth	6,500	3,500
Chipmunk	22,000	11,000
Average	14,500	7,500

In working out the standard cost no distinction has been made in the aircraft owned by the Club or loaned by Government for the purpose of charging depreciation.

- (x) The Committee noticed that some Clubs have insured their aircraft with insurance companies and some have covered their aircraft under the Accident Reserve Fund by contributing to the Fund at specified rates for different types of aircraft in lieu of insurance. In order to meet the expenditure on either of these schemes a flat rate of Rs. 7 per hour has been adopted.
- (xi) The cost of office and general expenses has been taken as 15 per cent of the conversion cost, i.e. cost on salaries, insurance and contribution to Provident Fund of all the members of the staff of the Flying Clubs. This does not include rent or maintenance costs of hangar accommodation and landing facilities which are normally provided by Government free of cost.

58. It will be noticed from the statement of working of the standard costs (Statement No. 6) that the average cost of operation at a Flying Club depends on the number of hours performed in a year. This works out to Rs. 126 per hour for a Club doing 800 hours a year and Rs. 98 per hour in the case of a Club doing 4,000 hours. The direct variable cost i.e. the cost of fuel and oil, spares, depreciation and insurance of aircraft works out to Rs. 44 per hour. The direct fixed cost such as salaries, etc. and indirect cost of operation i.e. office and general expenses ranges from Rs. 82 per hour for 800 hours to Rs. 54 per hour for 4,000 hours.

59. The standard cost as worked out in the above manner may not bear close comparison in some cases to the present scale of expenditure at the Clubs due to varying factors. The Committee is, nevertheless, of the opinion that in no case the expenditure of the Flying Clubs should outstrip the standard cost and the Clubs which are having wide disparities should strive to economise their expenditure in the larger interests of public funds.

60. The considerations which led the Committee to arrive at the bases for working out the standard cost of operation and the Committee's conclusions thereon are described in the following Chapter.

CHAPTER VI

FACTORS AFFECTING THE COST OF OPERATION OF THE FLYING CLUBS UNDER STANDARD CONDITIONS

Trainer Aircraft

61. Training is imparted at the Flying Clubs on a variety of light aircraft. Types of aircraft which each of the several Flying Clubs has at present are shown in Statement No. 7. The requirement of carrying out a spin before a trainee is sent solo or for the final test is creating a difficult problem for the Clubs since this manoeuvre can only be done on an aircraft which has a Certificate of Airworthiness in aerobatic category. The most common aircraft on which the spin is done is the Tiger Moth. Only one or two Clubs have Chipmunks and HT-2 for spinning. Clubs which have no spinnable aircraft, have to send their trainees to other Clubs and this causes a great deal of expense and inconvenience to the trainees. Clubs which have only one spinnable aircraft do not generally utilise it for regular training for fear of running into difficulty in case of a mishap. Such poor utilisation of the aircraft causes a heavy burden on the Club finances on account of heavy maintenance and annual overhaul expenses.

62. To avoid this difficulty, the Committee feels that Government should provide a sufficient reserve of spinnable aircraft for supply to Clubs as and when necessary. The Committee also feels that if the training aircraft and equipment in the Clubs is standardised and made uniform, there will be considerable saving in the total annual recurring expenditure on the Clubs.

63. The Committee found that the Clubs generally possessed a larger fleet of aircraft than needed to meet their training commitments. This resulted in poor utilisation of the fleet with consequent additional expenses on account of maintenance, insurance and depreciation costs.

64. The trainer aircraft which has been recently introduced in all these Clubs, is the Pushpak aircraft manufactured by Hindustan Aircraft Ltd., Bangalore. The Committee during its visits to the Clubs came to understand that the Pushpak aircraft has certain limitations though good for *ab initio* training. It is a non-spinnable aircraft and has a limited range for cross-country flying. The new licensing rules, which recently came into force, prescribe certain essential exercises to be done by the trainee including cross-country flights, before he could obtain the Private Pilot's Licence. The rules also provide for certain ratings which may be obtained by the pilots. These facilities cannot be provided at a Club where the Pushpak is the only type of aircraft available.

The Committee feels that hobby flying at these Clubs will be discouraged considerably if the Clubs do not have the facility of one or two aircraft with R/T equipment suitable for night flying and for long distance cross-country flying. At present, most of the Clubs have got only a Tiger Moth or a Chipmunk or an HT-2 to give training on the exercises prescribed for obtaining a Private Pilot's Licence. The Clubs are also averse to have any HT-2 trainers. In the circumstances, it is for Government to consider the measures necessary for providing one or two suitable aircraft to the Clubs or in the alternative enable them to purchase such a type of aircraft, which

may facilitate the training of the pupils going in for the Private Pilot's Licence in all respects, and also provide incentive to hobby fliers for doing advanced flying.

Utilisation of Aircraft

65. During the year 1961-62, the Flying Clubs achieved an average utilisation of 237 hours per aircraft taking into account both the serviceable and unserviceable aircraft in the custody of the Clubs. The corresponding figure in respect of serviceable aircraft alone was 388 hours per aircraft. The Committee found that the utilisation of aircraft has been varying from year to year and from Club to Club in the same year. The Bihar Flying Club in one particular year (1960-61) logged 901 hours on a Chipmunk. The Rajasthan Flying Club did 852 hours on their Piper Super Cruisers during 1959-60. The Bombay Flying Club achieved 727 hours on a Piper Super Club during 1960-61. The Delhi Flying Club did 716 hours on a Tiger Moth during 1959-60. The Northern India Flying Club logged 718 hours on a Pushpak aircraft during 1961-62. From the statistics received from the Flying Clubs, the Committee finds that the average utilisation of aircraft per annum in the Delhi Flying Club is the highest viz. 450 hours per aircraft (including the unserviceable aircraft). The corresponding figure of the lowest utilisation viz. 212 hours per aircraft is by the Hind Provincial Flying Club. Between these two limits the average utilisation at the various Clubs, varied from 300 to 400 hours per aircraft. The Committee noticed that the main factors affecting utilisation of aircraft at the Clubs are :—

- (i) the number and type of aircraft with the Club and their serviceability depending on availability of spares and the finances of the Clubs to incur expenditure for repairs and overhaul;
- (ii) flying potential and alertness of Instructors;
- (iii) the number of candidates actually available for training at specified times;
- (iv) local aerodrome conditions and restrictions on flying on account of other traffic; and
- (v) weather conditions.

66. In a Club where there are more than one type of aircraft and their number is limited, training is sometimes disturbed if the aircraft on which training was being imparted becomes unserviceable as the trainee is not generally allowed to continue his training on another type of aircraft. This adversely affects the utilisation of the fleet. The spinnable aircraft is sparingly used at the Clubs where the number of such aircraft is the bare minimum. Some of the Clubs have aircraft in excess of their requirements, based on the existing training potential. One reason for this is stated to be the need and desirability for having aircraft as standby in case of a mishap or if there is demand for more aircraft on a particular day. As an illustration, one Club has 13 aircraft. One of them is a Tiger Moth. It has hardly been used for more than 15 hours in a year and is kept mainly for spins. On an average 9 to 10 aircraft are normally utilised at this Club on Sundays and holidays. On other days the demand for aircraft is less as most of the hobby fliers do not come. A large number of surplus aircraft, therefore, become unavoidable at places where there is demand for more hobby flying and some margin has to be allowed at such Clubs as it

is not practicable for them to enforce a rigid programme of training as may be possible in a purely Training Institution where regular flying hours could be fixed and the trainees are available for training according to a fixed programme. Another reason for the Clubs having surplus aircraft is stated to be the general feeling that suitable replacement aircraft are not easily available in the country. The cost of maintenance of aircraft in excess of the requirements is an extra burden on the finances of a Club. Some Clubs who have an excess fleet of aircraft, are maintaining their surplus aircraft at an exorbitant cost. Very old types of aircraft like the Tiger Moth and the L-5, though good for training, cost very much for their maintenance and annual Certificate of Airworthiness. Unless the utilisation of the aircraft is stepped up, the Clubs would continue to undergo a heavy loss in maintaining them. In several cases, aircraft remain unserviceable due to non-availability of spares. The Committee feels that the Flying Clubs, which are unable to make justifiable use of their full fleet, should store the surplus aircraft without incurring any expenditure on their maintenance or annual overhaul. These aircraft could be brought into use only when other aircraft have suffered damage or when the flying potential in the Club has considerably increased. Such Clubs may also consider selling some of the surplus aircraft to the sister Clubs in need.

67. The Master Committee had worked out the standard cost of operation of the Club on the basis of a utilisation of 500 hours per aircraft per annum. But this Committee finds that most of the Clubs have not been able to achieve this utilisation for the reasons stated above. The Raha Committee had estimated that for achieving a total flying of 6,300 hours per year at the Civil Aviation Training Centre, Allahabad, 18 aircraft would be needed, 14 for training, one as a standby and three as reserve for minor snags and repairs. On the basis of 14 aircraft the utilisation per aircraft works out to 450 hours and if the 4 reserve aircraft are also taken into account the utilisation works out to only 350 hours per aircraft.

68. Taking into account all the above considerations, the Committee came to the conclusion that the minimum utilisation of aircraft should be fixed at 500 hours per year per Airworthy aircraft. For this purpose, aircraft which are without Certificate of Airworthiness, during a particular period of the year, need not be taken into account. On this basis an aircraft, during the period of 12 months of valid Certificate of Airworthiness would be expected to achieve 500 hours of utilisation. It is considered that for a Club utilising 4 aircraft in a year, one may be taken to be always under repairs or Certificate of Airworthiness. The other 3 aircraft should be in a position to remain fully serviceable and be utilised to the extent of 500 hours per aircraft per annum. That is to say, it should be possible for a Club to have 75 per cent of its working fleet in a serviceable condition and be able to achieve 500 hours per annum on each of such aircraft.

Staff at the Clubs and their Scales of Pay

69. The Committee learnt that the question of standardisation of the scales of pay for the different categories of staff at the Clubs was raised as early as 1949 by one of the Flying Clubs which considered it necessary to fix the salaries in relation to some other services with a view to stop the spiral of progressive increase in salaries, particularly those of Instructors and Engineers and that it was actually under the consideration of Government for a long time since 1949. It appears to have been the view that

until the wide gulf that existed between supply and demand for these technical personnel is narrowed down, any attempt at standardisation will not bear any fruit.. It was also considered that the Aero Club of India should try to get some agreement among the Clubs as to the salaries paid to the staff in order to prevent a drift of technical personnel from one Club to another. Several views appear to have been put forward in the past on the standardisation of the scales, but no unanimity between the Clubs could be reached.

70. The Master Committee while working out the Standard Cost of Operation of a Flying Club doing 3,500 hours of flying per annum had indicated the pay and the strength of staff, both technical and administrative, needed for the efficient running of such a Club. That Committee was of the view that it would not be advisable to lay down standard scales of pay for Instructors at Clubs and that their pay scales should be based on grounds of merit and experience. That Committee was further of the view that the Civil Air Board (proposed by the Committee) which would have the power to exercise supervision and control over the use of the funds made available to the Flying Clubs would have the opportunity to set the matters right in case they found that the scales were high, or not justified on grounds of merits and experience. The Government, however, did not accept the Committee's recommendation and decided that it was essential that the scales of pay of the Instructors etc. at the Flying Clubs should be standardised. This decision could not, however, be implemented so far.

Strength of Staff

71. On the basis of the information furnished by the Clubs, this Committee has noticed that there is a wide variation in the strength of staff. At some Clubs, the strength of the Engineering staff is in excess of the strength laid down in the Subsidy Agreement executed by the Flying Clubs. For example, one Club alone has one Engineer and fifteen cleaners and some administrative staff in excess of the requirements. At another Club, two mechanics and one Store-keeper are in excess. One of the Clubs has two supervisory posts whereas it should be possible to manage with only one post. While working out the Standard Cost of Operation, the Committee has fixed the strength of the various categories of staff in the different classes of Clubs according to their performance as given in Appendix VI-A. The Committee recommends that all the Clubs should try to conform gradually to the standard strength determined by the Committee and thus economise their expenditure.

Scales of Pay of Staff

72. As a result of the examination of the scales of pay obtaining in the various Clubs, vide Statement No. 8, especially for the Flying Instructors and Engineering staff, it is found that there is a wide disparity in the scales and as a consequence thereof, the expenditure on the Flying and Engineering staff varies considerably. It was noticed that in one Club, the pay of a Pilot Instructor had to be practically doubled in the course of two years, and that a Chief Pilot Instructor got twice as much salary, on going from one Club to another. Besides, Pilot Instructors are also given flying bonus on different scales in addition to other concessions. Pilot Instructors of some Clubs get bonus for the number of hours flown in each month without any limit, while in other Clubs the bonus is determined according to the number

of hours flown in excess of a prescribed minimum. The rates of bonus also vary. Some Clubs do not pay any bonus at all. The Clubs contend that they had to resort to this high rate of expenditure, mainly on account of the shortage in the number of qualified Instructors.

73. The Committee also noticed that some Instructors are given conveyance allowance for maintenance of a motor car or other conveyance. In some Clubs, the Engineering staff also get bonus on the basis of the number of hours flown in each year. The Committee does not consider this to be a very healthy situation and feels that this would, in due course of time, lead to unjustifiable demands. Once the pay of an Instructor has been fixed in a particular grade, no special incentive need be given to him to increase the number of flying hours. When a Pilot Instructor joins a Club he is also expected to provide himself with the necessary conveyance facilities for attending to his duties. The Committee does not feel that any special allowance is necessary to enable him to maintain a conveyance, etc. It will be recognised that in the Government Departments, conveyance allowance is granted only to those officers and subordinates who have to go frequently from place to place in the normal discharge of their duties and this too is subject to the maintenance by him of a prescribed conveyance for that purpose. Similarly, for the Engineering staff also, the Committee does not consider that any special incentive is necessary. The work in a Club is not like the work in a factory which produces articles of consumption and sells at a profit. For all specified items of work in a Flying Club in regard to maintenance of aircraft, the Committee feels that no further incentive is necessary, once proper scales of pay have been fixed for the staff. The Committee also considers that the scales of pay of the subordinate Engineering staff and staff connected with the administration of the Club should, as far as possible, not exceed the scales of pay and allowances, which have been laid down for staff under nearly the same condition under the employ of the State Government concerned.

74. The Committee feels that some such reform as the introduction of standard rates of pay and allowances as outlined above is essential in order that Instructors and/or Engineers may not be tempted to migrate from one Club to another which may offer monetary inducements by way of higher pay or on other considerations. This reform will also restrict, to a large extent, the temptation to increase the expenditure on staff. It will also not give room for the Managing Committees of the Clubs to grant extravagant allowances and other concessions, except on very strong grounds. In fixing these scales, the Committee has also taken into account the past recommendations made by the Aero Club of India. The Committee also felt that the wide disparity in the rates of flying bonus given to Flying Instructors and Engineering staff should cease altogether. The intention of the Committee is that the Clubs should, in the coming years, be in a position to fix the pay of all their staff on the standard scales shown in Appendix VI-B attached to this report. It should be possible for the Clubs to fix the pay of the present incumbents also on these scales taking into account their existing pay. The salaries should be fixed on the proposed scales of pay in such a manner that they get no allowances other than those envisaged in this scheme and the emoluments so drawn by them do not exceed the actual emoluments currently being drawn by each member of the staff. In cases where the total emoluments (excluding flying bonus and allowances) in the

proposed scale fall short of the emoluments drawn as on 31-3-1962, the difference may be paid as special pay to be adjusted in future increments. Such a procedure will ensure uniformity of pay scales in all the Clubs. As the scales have been determined with reference to existing conditions the Committee presumes that the Clubs would have no difficulty in bringing all their incumbents into these scales.

75. The Committee would also strongly suggest that for the future, immediate steps should be taken to train as many Pilot instructors as possible considering the number of Clubs existing at present and the number that is likely to be started in future.

Cadre of Chief Pilot Instructors and Chief Engineers

76. The Committee has also one important suggestion to make for the consideration of Government in connection with the enforcement of the standard scales of pay for all technical personnel in the Clubs. The Committee feels that the Chief Pilot Instructors and Chief Engineers attached to these Clubs who are the most important persons responsible for the proper training of pilots and maintenance of aircraft, should be borne on two separate cadres under the administrative control of the Director General of Civil Aviation. The actual incumbents in the cadre of Chief Pilot Instructors and Chief Engineers may be treated as Government servants in the matter of discipline and control and they will be considered as on loan to the Clubs, for the period of their service. The cadre may contain its own leave reserve. The promotion to the cadre may be regulated from the Junior Instructors and Engineers actually working in the Flying Clubs, the promotions being decided on the basis of merit by a Selection Committee in the office of the Director General of Civil Aviation. The position of the Chief Pilot Instructors and Chief Engineers will thus be analogous to Medical Officers and Health Officers lent by Government, to Local Bodies and also, to some extent, to the cadre of the Industrial Management Pool. Besides, fixing their grades of pay on a uniform basis, Government may also consider the question of setting up a separate Contributory Provident Fund for them and the grant of retirement gratuities, if any of the Instructors were to retire from service on account of age or medical unfitness. A step in this direction will not only enable Government to stop the present tendency of the Clubs to determine the pay of the Chief Pilot Instructors and Chief Engineers in any manner they like, but will also enable the Director General of Civil Aviation to effect a better administrative control on technical matters and on the systematic training of the pilots in the various Clubs. The Committee also believes, that such a step will be welcomed by the Chief Pilot Instructors and Chief Engineers as a whole, as it would give them a better status and security of service.

Service Conditions of Staff

77. During the Committee's visits to the Clubs, the members of the staff of certain Clubs represented that no specific rules had been laid down governing their conditions of service. The Committee strongly recommends that rules and regulations regarding conditions of appointment, promotion, leave, scales of pay, grant of increments, conduct, discipline, right of appeal against punishments, etc. should be laid down by the managements of the Clubs preferably on a uniform basis, and made known to the staff. Although

the Honorary Secretary or any other administrative officer may be responsible for the proper observance of these rules, the right of hearing an appeal on any matter should vest with the Managing Committee.

78. The Committee was surprised to note that in spite of the fact that the Master Committee had included 'Contribution to the Provident Fund' as an item of expenditure of the Clubs, many Clubs had not yet instituted the system of Provident Fund. It came to the Committee's notice that in one Club, the payment of gratuity on the retirement of a person was made, but a similar payment was refused by the Managing Committee to another person. To avoid such cases of discrimination, it is suggested that uniform regulations should be made by all Clubs and exceptions should be made only with the specific authority of the Managing Committee who should place on record the reasons for the same.

79. The Committee was also surprised to note that in a few Clubs where the Contributory Provident Fund system was instituted, no proper annual accounts were given to the staff, to enable them to know the credit in their accounts. There was also no prescribed rate of interest at which the amounts in the Provident Fund would carry interest. It was stated by one of the Clubs that whatever amounts were realised from the investments of the amounts in the Provident Fund were distributed to the accounts of all the employees on a *pro rata* basis. The position does not seem to be satisfactory at all. In every Club, the contributions of the employees and the equal contribution made by the Club should be invested so as to earn interest. The staff should also be assured that they would get a fixed rate of interest on their contributions made to the Provident Fund. While scrutinising the annual accounts of the Clubs in the office of the Director General of Civil Aviation, a check should be exercised to see that the Provident Fund amounts are properly invested and not utilised by the Clubs for their own day to day expenditure as it has happened in certain Clubs. This matter has been discussed in detail in paragraph 130.

80. The Committee noticed that advances of pay and advances for the purchase of conveyance were given to some employees of the Clubs, but were not given to certain other employees, on grounds of lack of funds. To avoid discrimination in such cases, it is suggested that a uniform rule should be made by the Clubs in the matter of grant of advances to their employees. The Committee was surprised to find that in one case the Club went out of the way to grant an interest-free motor car advance to their Chief Pilot Instructor.

81. The subordinate staff of certain Clubs also represented that the pay and allowances were not disbursed to them on the first of each month. Under the Factories' Act, pay and allowances are to be paid before the 7th of each month. In one or two Clubs, it was noted that the employees had not received pay for more than two or three months. The object of the fixed subsidy to the Clubs being given in quarterly instalments in advance would seem to be to place sufficient funds at the disposal of the Clubs to pay the salaries of staff regularly. The reason given by the Management of these Clubs that funds were not available for the payment of salaries, does not seem to be entirely satisfactory. The Managing Committee of each Club should review the financial position of the Club more frequently than at present and see that such irregularities do not occur.

Insurance of Pilot Instructors

82. The amount of insurance for which the Pilot Instructors of the Clubs should be compulsorily insured is one of the terms of reference to the Committee. The Committee finds that all the Flying Clubs are meeting the cost of insurance of the various categories of their Pilot Instructors, but the amount of insurance is not uniform. The Instructors are covered for personal accident (aviation risks). The amount of insurance varies, in the case of Chief Instructors, from Rs. 13,357 to Rs. 35,000 and in the case of Pilot Instructors and 'B' licence holders functioning as Assistant Pilot Instructors from Rs. 6,678 to Rs. 30,000. At one Club, the Chief Pilot Instructor is also insured for Loss of Licence for Rs. 40,000. At another Club at the instance of the Chief Pilot Instructor concerned, the Club management have agreed to pay the amount of insurance premium (Rs. 500) as applicable for an Accident Policy for the prescribed amount (Rs. 20,000), towards a personal life Insurance Policy of the Chief Pilot Instructor for Rs. 20,000 as extra premium to cover the Policy under Aviation Risk. The Chief Pilot Instructor has, in lieu, indemnified the Club of any claims arising out of any mishap to him. Under this arrangement, there is no extra financial burden on the Club but the Instructor is benefited inasmuch as, after the prescribed period of loading (5 years) the amount of insurance premium payable by the Club for Accident Insurance (Rs. 500 per annum) will go to reduce his financial commitment by way of insurance premium payable for his life insurance policy.

83. Various suggestions on the subject have been placed before the Committee. Broadly the suggestions are (i) the amounts of insurance should not be much less than those admissible to airline pilots; (ii) the amount of insurance should be rationalised on the basis of pay scales; and (iii) payment of extra premium on life insurance policies of Instructors.

84. The Committee feels that as compared to the airline pilots the duties of the Pilot Instructors are less arduous in nature, e.g. the Instructors have not to fly under all weather conditions, they fly lesser number of hours and on lighter aircraft, they generally fly around the aerodrome and on few occasions only go on cross-country flights and in case of engine trouble it is easier for a light aircraft to effect a forced landing as compared to a transport aircraft.

85. In case the amount of insurance is linked with the scales of pay a new entrant will be eligible for lesser insurance benefit even though his duties are identical to those performed by his senior colleagues. The proposal to make payment of extra premium on life insurance policies of Instructors, though economically beneficial to the Instructors in the long run, would envisage that it should be made obligatory for the Instructors to go in for Life Insurance Policies of specified amounts for specific periods.

86. The Committee has examined the matter and hold the view that the Instructors should be covered by personal accident (Aviation risks) insurance only. Under this scheme, the amount of insurance becomes payable in case of death or major disablement. In case of minor disablement limited to specified periods proportionate payment is admissible. Further, the amount of insurance of various categories of Instructors should be so determined that it is compatible with the responsibility and the risk involved in Club flying. The Committee, accordingly recommends that the confirmed

Chief Pilot Instructors, who have been approved by the Director General of Civil Aviation as such, may be insured for Rs. 35,000 whereas those Chief Pilot Instructors who have only been permitted to officiate in a provisional capacity may be insured for Rs. 30,000. A qualified Pilot Instructor holding independent charge at a Flying Club may be insured for Rs. 25,000. A qualified Pilot Instructor, not holding an independent charge or working under a Chief Pilot Instructor may be insured for Rs. 20,000. The Assistant Pilot Instructors may be insured for Rs. 15,000.

87. It is understood that the Airline Pilots' Guild had negotiated concessional rates of insurance premium with the Aviation Insurers. The Committee, therefore, considers that it may be worthwhile to negotiate similar concessional rates of premia with the Aviation Insurers in case the insurance policies of all the Club Instructors are taken with them. It also feels that there should be no objection to a Flying Club paying an amount towards extra premium on the life policy of an Instructor in lieu of accident insurance, if mutually agreed to at the request of the Instructor, provided that the Instructor indemnifies the Club against all risks arising out of an accident involving him, and the amount does not exceed the amount of premium payable in respect of accident insurance for a sum based on the formula referred to above and the Club is satisfied that the amount is paid towards the payment of premium for the life insurance policy.

88. The Committee is of the opinion that it should not be necessary for a Club to pay for insurance against Loss of Licence of an Instructor in addition to paying for his Accident Insurance policy as the continued employment of an Instructor is dependent on his possessing a current Instructor's licence and any safeguard in this direction should appropriately be the concern of the Instructor.

89. The Committee noticed that at one or two Clubs, the services of some Instructors in an Honorary capacity are being utilised. These Honorary Instructors are Pilots holding a 'B' licence and have been allowed to work in the Club without any remuneration in order to enable them to gain further experience for bettering their prospects of employment as Instructors. Such Instructors are not insured by the Club. The Committee feels that if such Instructors perform regular duties like a paid Instructor, it will be both desirable and advisable that they should be insured for accident risk like a paid Instructor of similar category. The Honorary Instructors, should, however, be required to enter into an agreement to serve the Club for a period for which the insurance is effected by the Club on his behalf.

Performance of Pilot Instructors

90. For working out the standard cost of operation of the Clubs, the Committee had to consider the number of hours which a Pilot Instructor may ordinarily be expected to do in a year. The Director General of Civil Aviation has prescribed that a Chief Pilot Instructor should do a minimum of 500 hours in a year. The Master Committee had not specified any figure but it would appear that while calculating the Standard Cost they had taken into account more or less the same standard. The Raha Committee had stated that a Flying Instructor should be able to do 60 hours a month of instructional flying and still be able to devote an additional two hours or so per day for ground lectures. Another view is that on an average, an Instructor should be able to do 40 hours per month. It has been stated

that 60 hours in a particular month may be possible for a Pilot Instructor, but not for successive months over any length of time. On the basis of the statistics received from various Flying Clubs the average instructional hours of flying by Chief Instructors vary from 300 to 500 hours per year.

91. In view of the above considerations the Committee considers that a Chief Pilot Instructor should be able to do a minimum of 400 hours of annual instructional flying and the other Pilot Instructors/Assistant Pilot Instructors should do a minimum of 500 hours in a year. In addition, the Instructors should be able to devote sufficient time for ground instructions.



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CHAPTER VII

SCHEME OF SUBSIDY AND SUBVENTION TO FLYING CLUBS

92. The Committee has been directed to review the working of the existing subsidy scheme and to determine whether the results achieved by the Grants-in-aid sanctioned to the Flying Clubs under the existing orders are commensurate with the expenditure incurred and make recommendations for the modification of the existing scheme having particular regard to—

- (a) the cost of operation of the Clubs, as determined by the Committee;
- (b) the various sources of revenue of the Clubs, including the grants-in-aid sanctioned by the Central Government and State; and
- (c) the amount of insurance for which the Pilot Instructors of the Clubs should be compulsorily insured.

Existing Scheme of Subsidy

93. The basis on which the present scheme of subsidy was sanctioned by Government has already been referred to in paragraph 38 of this report. The Committee noticed that all the Clubs were broadly grouped into four classes based on the total number of hours of flying that might be expected in those Clubs in a year. On the basis of the total estimated expenditure for all the Clubs coming under the four classes, the amount of fixed subsidy was determined as follows :—

	Rs.
Class I Clubs	1,00,000
Class II Clubs	75,000
Class III Clubs	60,000
Class IV Clubs	40,000

94. The flying subvention was fixed at the rate of Rs. 40 per hour in the case of Classes I and II Clubs and at Rs. 50 per hour in the case of Clubs in Classes III and IV.

95. It was estimated that the receipts of the Clubs in all the four Classes based on these rates of subsidy and subvention and flying charges, subscriptions etc. would approximately be equal to the estimated expenditure. Although this scheme was initially sanctioned for a period of one year, it continued to be renewed year after year. The amount of subsidy and subvention was thus fixed with reference to the total estimated expenditure incurred in all the Clubs classified according to the approximate number of expected hours of flying. It will be seen from the statement of receipts and expenditure of the Clubs during the last three years appended to this report (Statement No. 1) that most of the Clubs were not able to balance their expenditure in each year in spite of grants from the State Governments. It has been brought to the notice of this Committee that the different rates of subvention, namely, Rs. 40 per hour in the case of Classes I and II Clubs and Rs. 50 per hour in the case of Classes III and IV Clubs have resulted in a certain anomaly, namely, that a Club going from Class III to

Class II would in certain stages receive actually a lesser amount by way of subvention and subsidy than what it had received while remaining in Class III, although the Club had attained the position of Class II on the basis of flying hours achieved in that year. It was stated before the Committee by all the Clubs that the amount of fixed subsidy, which is expected to cover the fixed recurring charges of the Club, was quite insufficient. This scheme, therefore, required a modification on a more rational basis.

Results achieved by the Flying Clubs under the existing Subsidy Scheme

96. As already stated, the role of the Flying Clubs was confined to hobby flying, training of N.C.C. cadets and training for obtaining 'A' Pilot's Licence. Hobby flying is done by those who have already obtained the 'A' Licence and the training of the N.C.C. pupils is limited to completing a certain number of hours without necessarily obtaining an 'A' Licence. The National Cadet Corps Directorate, however, grants certificates to the National Cadet Corps trainees after satisfactory completion of training. The flying done under these two categories could thus only increase the number of hours of flying in the Club without a corresponding increase in the number of Licences. One possible way of evaluating the results achieved by the Clubs with reference to the expenditure incurred, is by finding out the actual number of 'A' Licences obtained at the Clubs during the last few years. The following table gives the total instructional hours of flying done at all the Clubs during the last five years and the number of 'A', 'B' and PI Licences issued as a result of training.

	1957-58	1958-59	1959-60	1960-61	1961-62
1. Total instructional flying ..	25,647	26,786	27,959	30,437	30,694
2. Flying done by N.C.C. ..	5,343	5,959	4,336	4,225	4,420
3. Flying done by others (1—2)	20,304	20,827	23,623	26,212	26,274
4. Total number of 'A' Licences obtained	259	190	207	170	173
5. Total number of 'B' Licences obtained	4	6	7	13	15
6. Total number of PI Licences obtained	3	2	4	—	2

97. It will be seen from the details given above, that though the flying hours have increased, the number of 'A' Licence pilots coming out has decreased. The Committee understands that this deterioration is due to various reasons such as the following :—

- (i) Infertuous flying, i.e. stopping of flying by trainees after a certain number of hours due to lack of aptitude.
- (ii) A large number of trainees finding it difficult to pass the Legislation Examination.
- (iii) The number of scholarships allotted to each Club by the Central as well as by the State Governments not being fully availed of.
- (iv) Training imparted to the trainees being inadequate in many respects.

98. The Committee has examined each one of these factors in detail and has made its recommendations elsewhere in this report for effecting improvements in the position.

Future scheme of Subsidy and Subvention to the Flying Clubs.

99. The Committee had occasion to obtain the views and suggestions from all the Flying Clubs' representatives about the various methods by which subsidies and subventions should be determined, having regard to the different conditions obtaining in various Clubs in the matter of type of aircraft used for training, different scales of pay obtaining for instructional and engineering staff etc. The Committee felt convinced that the most rational way of determining the method which should govern the grant of subsidies and subventions, should be based on the estimated expenditure of the Clubs under standard conditions. The Committee understands that this was also the view of Government at the time the Master Committee's proposals were considered. The Committee, however, feels that the division of the Clubs into classes for fixing the amount of fixed subsidy may remain as at present, but in a different form. Under the proposed division, the Committee expects that there will be some incentive for a Club in a lower category to come up to the higher category by increasing their activities and thereby earn more revenues.

100. After giving due consideration to the total expenditure to be incurred by them estimated according to the standard cost of operation mentioned in Chapter V, and their revenues from all sources (Statement No. 9) the Committee would recommend the following scale of subsidies for the different classes of Clubs, in addition to a subvention on the number of flying hours achieved.

				Rs.
1. Class IV	..	..	Below 1600 hours of instructional flying subject to a minimum of 800 hours.	50,000
2. Class III	..	..	1600 hours and above but below 2400 hours of instructional flying.	75,000
3. Class II	..	..	2400 hours and above but below 3200 hours of instructional flying.	1,00,000
4. Class I	..	..	3200 hours and above but below 4000 hours of instructional flying.	1,20,000

In case a Club does more than 4,000 hours of instructional flying, its subsidy may be increased to Rs. 1,30,000.

101. A Club in Class IV category is expected to do a minimum of 800 hours of instructional flying per year. The Committee feels that if a Club is not in a position to achieve this minimum performance, it should not continue to be subsidised unless Government are satisfied that the circumstances are beyond the control of the management and the loss, if any, on account of reduced number of hours would be made good by income from other sources. Also, the Committee appreciates that in the initial stages a new Club may not be able to achieve the minimum

performance. In such a case, the Government may watch its progress and allow a period of say two years to enable it to come up to the minimum standard, before taking a decision to stop the payment of subsidies. Payment of subsidies may, however, be stopped only after the Club has been given due advance notice.

Subvention

102. On the basis of the direct operational cost per hour in each Club which will remain almost constant, the Committee would recommend that all Clubs should receive a uniform rate of subvention at the rate of Rs. 50 per hour. This is intended to cover the direct variable cost of fuel and oil, depreciation, insurance/contribution to Accident Reserve Fund, cost of spares for maintenance and overhaul etc. This fixed rate of subvention at Rs. 50 per hour will, however, be reduced by Rs. 15 per hour in respect of hours flown by National Cadet Corps Cadets and in respect of hours flown by hobby fliers (persons above the age of 28 years) in respect of whom the Clubs receive flying fees from the State Government and the fliers respectively. The fixation of a uniform rate of subvention will do away with the anomaly that exists under the present scheme. In working out the cost of operation of different types of aircraft, it has been noticed that HT-2 is a more expensive aircraft from the point of consumption of petrol and maintenance. Taking into account the extra cost of operation of this aircraft, the Committee would recommend, that for all flying hours done on this aircraft, an extra subvention of Rs. 20 per hour may be allowed.

Bonus for P.P.Ls. issued

103. The Committee, in working out the standard cost of operation of the Clubs and the subsidy scheme recommended above, also felt strongly that the amount of fixed subsidy given to the Clubs should be related, in some way, to the number of Private Pilot's Licence holders which the Clubs are able to produce during a year as to a great extent the efficiency of instruction and training in the Clubs can be judged on this basis. The Committee feels that the present tendency of the Clubs to pile up the hours of flying which are largely unproductive should be discouraged; and that the number of 'A' licenced pilots coming out of the Clubs should improve. Under the new licensing rules which have just been introduced, the pupils have to undergo a thorough ground training and pass a written examination in four subjects besides having a larger number of instructional hours. It is, therefore, necessary that the training to be imparted to these trainees should be more intensive than at present. Unless a portion of the subsidy is made dependant on the number of Private Pilot's Licences issued, the expenditure incurred by Government in subsidising the training would not be fully justified. The Committee accordingly recommends that the total subsidy, as stated above, should be disbursed in two portions, a major portion as a fixed subsidy to be paid in four quarterly instalments to cover the fixed running expenditure and the other portion as a bonus at the rate of Rs. 400 for each Private Pilot's Licence issued in a year. The following table shows the minimum number of pilots which Government could normally expect to be trained in each of the classes of Clubs and the distribution of the total amount of subsidy between fixed subsidy (to be distributed in quarterly instalments) and the bonus to be paid to the Clubs on the basis of Private Pilot's Licences issued.

Class of Club	Total subsidy determined	Fixed subsidy to be paid in quarterly instalments	Minimum number of P.P.L. per annum	Bonus to be paid at the rate of Rs. 400 per P.P.L. per annum
	Rs.	Rs.		Rs.
Class IV (Below 1600 hours) ..	50,000	47,600	6	2,400
Class III (Below 2400 hours) ..	75,000	71,000	10	4,000
Class II (Below 3200 hours) ..	1,00,000	94,400	14	5,600
Class I (Below 4000 hours) ..	1,20,000	1,12,800	18	7,200
Above 4000 hours	1,30,000	1,21,200	22	8,800

104. If a Club happens to train more Private Pilot's Licence holders than the minimum number fixed above, it would be in a position to get additional bonus at the rate of Rs. 400 per Licence in addition to the subsidy stated above. On the same basis, if any Club fails to produce even the minimum number of Private Pilot's Licence holders as mentioned in the table above, a corresponding reduction will be made from the bonus at the rate of Rs. 400 for each Licence by which the number falls short of the minimum. The Committee feels that such a condition would give an incentive to the Clubs and would enable them to concentrate more on the training of good pilots in the future. The minimum number of Private Pilot's Licences for each class of Club has been fixed after giving due consideration to the larger number of hours which a trainee has to put in under the new licensing rules. The total amount of bonus received in a year by a Club may be distributed to the instructional and engineering staff in such a manner as the Managing Committee may decide.

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Bonus for Trainees who obtain P.P.L.

105. The Committee also recommends that in addition to the total amount of subsidy and bonus to be paid to the Clubs as stated above, an additional amount of Rs. 150 in respect of each trainee who gets the Private Pilot's Licence may be paid to the Club for being disbursed to the pupils who obtain the Licence. This will be an inducement for the trainees to take interest and complete their full training for obtaining the Licence. They may also feel satisfied that they will get back whatever small expenditure on incidental charges which they may have incurred during the course of training.

106. In working out the standard cost, the Committee has not taken into account certain extra expenditure which some Clubs have to incur for maintenance of their hangars, buildings and landing ground. The Committee recommends that all such reasonable costs may be borne by Government. The Committee hopes that the above scheme will eliminate not only the anomalies existing at present, but will also enable the Clubs to receive subsidies and subventions in proportion to their level of efficiency and performance. The Committee would discourage any further payment by the Clubs to their Instructors and other staff in the shape of bonus, over and above the amount of Rs. 400 as recommended above.

Subsidy for Satellite Centres

107. There are at present only two Clubs which have Satellite Centres within the State of their operation. The Committee considers that the present practice of permitting the Flying Clubs to open Satellite Centres within the State may be allowed to continue and the corresponding provision in the subsidy agreement retained as at present. A Satellite Centre is required to do annually a minimum of 500 hours of instructional flying under the existing subsidy scheme. An estimate showing the minimum establishment required at a Satellite Centre and its cost is given below :—

	Rs.
1. Pilot Instructor	1 9,000 per annum.
2. Maintenance Engineer	1 6,000 per annum.
3. Skilled Mechanic-cum-Store-Keeper	1 2,400 per annum.
4. Cleaner	1 1,200 per annum.
5. Flight clerk-cum-typist	1 1,800 per annum.
6. Insurance of Pilot Instructor	500 per annum.
7. Peon	1 1,200 per annum.
8. Chowkidar	1 1,200 per annum.
9. Miscellaneous expenses at 15% (on items 1 to 5, 7 and 8).	3,420 per annum.
Total ..	26,720 per annum.

108. The total expenditure on salaries, insurance of Instructor and other expenses comes to about Rs. 26,720 per year. The Committee, therefore, recommends that a fixed amount of Rs. 25,000 for a Satellite Centre may be given instead of Rs. 20,000 as at present. In addition, the Satellite Centre would earn subvention at the rate of Rs. 50 per hour. The flying subvention will cover the entire cost of petrol, oil, depreciation, insurance of aircraft and spares. If the Satellite Centre elects to receive subsidy under this scheme its flying hours will not count towards the classification of the parent Club. The Club can, however, have the option to count the hours done at the Satellite Centre towards the classification of the parent Club only if it does not avail of the fixed subsidy provided for the Satellite Centre. If a Satellite Centre is able to achieve a minimum of 1,200 hours of instructional flying by having extra staff, then there should be no objection to its being treated as a full-fledged Club entitled to a minimum fixed subsidy of Rs. 50,000 as recommended for a Class IV Club. In that case, the classification of the parent Club would be fixed according to the number of hours flown by it and not by taking into account the hours done at the Satellite Centre.

Financial effect of the new scheme

109. The financial effect of the above recommendation would be as worked out below. During 1961-62 a sum of Rs. 24,11,800 on account of subsidy and subvention on the existing rates would be payable to all the Flying Clubs for a total number of 30,700 flying hours performed during the year. For the same number of hours the total amount of subsidy and subvention that would be payable under the scheme enumerated above would be Rs. 28,12,250. The extra cost to Government under the scheme now recommended would thus be Rs. 4,00,450. This extra cost is inevitable

and it is mostly due to the increase in the cost of operation of the Clubs and to the increase in the rates of pay and allowances for the various establishments in the Clubs under the present conditions. This is inclusive of the additional expenditure of Rs. 26,250 on account of bonus to trainees who obtain Private Pilot's Licences. The details of the extra cost are given below :—

Total number of instructional hours flown during 1961-62. 30,700

Total number of hours flown by the N.C.C. Cadets and others above 28 years of age. 4,600

Total number of hours flown by others. 26,100

A. SUBSIDY AND SUBVENTION PAYABLE AS PER EXISTING SCALES

<i>Classes of Clubs</i>	<i>Number of Clubs</i>
Class I	1
Class II	3
Class III	8
Class IV	5

(a) Fixed Subsidy

	Rs
1 Club	1,00,000
3 Clubs	2,25,000
8 Clubs	4,80,000
5 Clubs	2,00,000
3 Satellite Centres	60,000
	<hr/> 10,65,000

(b) Flying Subvention

<i>(i) At the 4 clubs in Classes I and II</i>			Rs.
N.C.C.	1950 hours at Rs. 25 per hour		48,750
Other Members	9970 hours at Rs. 40 per hour		3,98,800
Satellite Centres	1000 hours at Rs. 50 per hour		50,000
			<hr/> 4,97,550

(ii) At the remaining 13 Clubs in classes III and IV

		Rs.
N.C.C.	2650 hours at Rs. 35 per hour	92,750
Other Members	14630 hours at Rs. 50 per hour	7,31,500
Satellite Centres	500 hours at Rs. 50 per hour	25,000
		<hr/> 8,49,250

(i) + (ii) Total subvention at the 17 Clubs .. 13,46,800

Total fixed subsidy and flying subvention 24,11,800

B. SUBSIDY AND SUBVENTION PAYABLE AS PER NEW SCALES

<i>Classes of Clubs</i>							<i>Number of Clubs</i>	
Class I	..	..	..	..	..	..	1	
Class II	..	..	..	..	..	..	3	
Class III	..	..	..	..	..	..	7	
Class IV	..	..	..	..	..	..	6	

<i>(a) Fixed Subsidy</i>							Rs.	Rs.
1 Club at Rs. 1,20,000	..	..	..	..	..	..	1,20,000	
3 Clubs at Rs. 1,00,000	..	..	..	..	..	..	3,00,000	
7 Clubs at Rs. 75,000	..	..	..	..	..	..	5,25,000	
6 Clubs at Rs. 50,000	..	..	..	..	..	..	3,00,000	
3 Satellite Centres at Rs. 25,000 each	..	..	..	..	..	..	75,000	
							<hr/>	13,20,000

<i>(b) Flying Subvention</i>								
N.C.C.	..	..	4600 hours at Rs. 25 per hour	..	..	..	1,61,000	
Other Members	..	..	26100 hours at Rs. 50 per hour	..	..	..	13,05,000	
Bonus for P.P.Ls.	..	..	..	..	..	..	26,250	14,92,250
							<hr/>	
Total fixed subsidy and flying subvention	..	..	..	..	..	..		28,12,250
Additional expenditure to Government (B - A)	..	..	..	..	..	..		<hr/>4,00,450

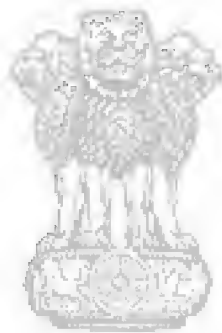
Effect of the new scheme on Clubs

110. Statement No. 9 attached to the report shows the total expenditure of a Club based on standard costs per hour, the income from various sources, the total income including the recommended subvention and subsidy, of a Club for varying flying hours ranging from 800 to 4000. The slight variation in the income at the intermediary stages is mostly on account of the fact that the subscription and other receipts of the Clubs have been estimated at a uniform rate of Rs. 4 per hour though, as a matter of fact, they are not uniform. The graph attached to the statement will indicate the variation between the expenditure based on standard costs and the flying receipts of the Clubs as worked out by this Committee and the flying receipts based on the existing scale. The Committee hopes that with the subvention and subsidy recommended by it, the Flying Clubs would be able to balance their budgets and also try to adjust their expenditure as far as possible to the standard conditions worked out by it. The working of the scheme may be reviewed after a period of three years.

Grants to the Clubs from State Governments

111. While working out the extent of subsidy admissible to the various categories of Clubs on the above basis, the Committee has not taken into account the grants sanctioned to the Clubs by the various State Governments. As stated elsewhere in the report, the extent and nature of grant to the Flying Clubs varies from State to State. Some States like Delhi do not give any financial assistance to the local Club. During the course of discussion with the representatives of the State Governments, the Committee noticed that while the State Governments are keen to extend all possible

help in the development of the Flying Club movement in the country, they would not be in a position to increase their financial commitments due to other schemes of development. The Committee has, however, been left with the impression that the State Governments would continue to sanction financial assistance to the Clubs on the existing scales. Thus, with the limitation and the varying nature of financial assistance to the Clubs by the State Governments, it is difficult to determine its impact on the subsidy to be paid to the Clubs by the Central Government. The Committee, however, hopes that the Clubs which receive financial assistance from the State Governments would be utilising any balance which may be available, after meeting the costs of services rendered to the State Government for meeting any temporary deficit which may occur as a result of the introduction of the revised subsidy scheme, till such time as they are in a position to adjust themselves to the standard conditions and also utilise such funds for building up capital assets with a view to improve the operational and training efficiency of the Club.



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CHAPTER VIII

RESERVE FUNDS

112. The important Funds at the Flying Clubs are the Accident Reserve Fund, the Replacement Reserve Fund and the Employees' Provident Fund.

Accident Reserve Fund

113. In accordance with the terms of the existing Subsidy Agreement between the Government and the Flying Clubs, the Clubs are required to get their fleet of aircraft, insured with insurance companies, against all flying, ground and third party risks, whether the aircraft are their property or loaned to them by Government. The minimum insurable value of the different types of aircraft has been laid down in the Schedule to the clause in the Subsidy Agreement. Government loaned aircraft with the Flying Clubs are to be insured only for the insurable value laid down in the Agreement. The Clubs can have their own aircraft insured for an amount higher than that laid down in the Subsidy Agreement, if the purchase price is higher, but in no case the aircraft are to be insured for an amount less than that prescribed in the Subsidy Agreement even though their book value may be less.

114. In addition to the insurance of aircraft with insurance companies against flying and ground risks, the Clubs are required to pay Rs. 2 for each hour flown by the aircraft, otherwise than on test flights, into a fund called the Accident Reserve Fund to cover the uninsurable portion of such risks. The Flying Clubs, are, however, given the option to cover the flying and ground risks with the Accident Reserve Fund by contributing to the Accident Reserve Fund, a sum of Rs. 6,000 per aircraft or Rs. 30,000 in all, whichever is greater, as an initial deposit and to further augment the fund by paying contribution at the rates fixed in the Schedule to the clause in the agreement, namely Rs. 5 or Rs. 10 or Rs. 11 per hour (except for test flights) as the case may be, according to the type of aircraft. In all cases, the aircraft are to be insured with the outside insurance company against third party risk.

115. The position of the Accident Reserve Fund as on 31st March, 1962 in all the Flying Clubs, as compared to the original value of their aircraft, is shown in Statement No. 10, attached to this report. It will be seen from the Statement that only in Madras Flying Club the amount at the credit of the Accident Reserve Fund is more than the total value of its fleet. According to the existing orders of Government, no limit has been fixed for the accumulation in the Accident Reserve Fund. During the Committee's visits to the various Clubs, the question was almost unanimously raised as to whether a suitable ceiling should not be fixed for the accumulations in the Accident Reserve Fund and whether contributions to that Fund should not cease after reaching such a limit. The Committee considered all aspects of the scope of this Fund and particularly, the merits of making regular contributions to the Accident Reserve Fund, *vis-a-vis* insuring the aircraft with outside insurance companies. The Committee noticed that only the Madras, Hind Provincial and Kerala Flying Clubs have covered the aircraft held by them (whether Club owned or Government loaned) with the Accident Reserve Fund after paying into the Fund the minimum initial

deposit required, since the beginning of their activities. The Bombay Flying Club have also covered the fleet with the Accident Reserve Fund completely this year, as they had an amount in excess of the minimum amount of deposit in the Fund. Practically all other Clubs, which have in the Accident Reserve Fund amounts more than the minimum prescribed in the Schedule to the Subsidy Agreement, have not exercised the option to cover their aircraft with Accident Reserve Fund and have insured their aircraft with outside insurance companies. It is noticed that the total insurance premium paid by all the Flying Clubs comes to approximately Rs. 1.4 lakhs per annum. Considering the large amount of money paid by the Clubs to the outside insurance companies, the Committee feels that it would be desirable to insist as a matter of policy that the Clubs should not resort to the insurance of their aircraft with the insurance companies, unless the position in the Accident Reserve Fund actually warrants such a course. It might have happened in the past that in one or two years the amounts recovered from the insurance company for damages to the aircraft, might have been more than the insurance premia paid for that year. Past experience indicates that the incidence of accidents to Flying Club aircraft resulting in total damage to the aircraft are few and far between. With a suitable minimum amount in the Accident Reserve Fund in respect of their fleet, it appears that insurance with an outside insurance company can be dispensed with. The question then arises as to what should be the reasonable minimum which the Accident Reserve Fund should have before taking this step and what should be the maximum amount in that Fund. The Committee feels that the present minimum of Rs. 6,000 per aircraft or Rs. 30,000, whichever is greater, was fixed several years ago and would not appear to be quite adequate by present day standards, when the prices of aircraft and their spare parts have gone up. On a consideration of the various factors, the Committee would suggest that the minimum limit of the Fund should be raised to Rs. 10,000 per aircraft or Rs. 50,000 in all whichever is greater. It may so happen that in some cases, the Clubs may have to continue to insure their aircraft until they have built up sufficient reserves to this limit in the Accident Reserve Fund. Other Clubs which have got the amount in the Accident Reserve Fund in excess of the minimum requirements should cover the fleet with the Accident Reserve Fund against flying and ground risks. The insurable value prescribed in the Agreement for the various types of aircraft mentioned therein may, however, remain as they are at present, as they are considered to be reasonable. The Flying Clubs may, as at present, be given the option to insure their aircraft for a higher sum than that provided for in the Schedule, if their original cost is actually more.

116. As regards the maximum limit to which contributions to the Accident Reserve Fund should be made, the Committee considered the suggestions made by the Clubs. Some Clubs suggested 50 per cent of the value of their aircraft and some others 33-1/3 per cent. The Committee have carefully considered this matter and have come to the unanimous conclusion that it would be most desirable to have in the Accident Reserve Fund an amount equal to the full value of the aircraft in the possession of the Clubs whether Club owned or loaned by Central and State Governments for training purposes and till that limit is reached, contributions to this Fund should be made at the present rates for different types of aircraft e.g., Rs. 5 per hour for Pushpak etc., Rs. 10 per hour for Chipmunk and Rs. 11 per hour for HT-2 and Bonanza. These rates of contribution are intended

to cover flying and ground risks. After the accumulations in the Accident Reserve Fund reach the maximum limit of the total value of the aircraft held by the Club, further contributions to this Fund at these rates should continue to be made, in order to make funds available for expenditure on repair or reconditioning of such aircraft, as may suffer damage in accidents. The Clubs may also be allowed to utilise the Fund to meet the cost of major components in an aircraft which may require replacement, with the permission of the Director General of Civil Aviation, if he is satisfied that the amount is so large and that the Club cannot find sufficient funds for the replacement from its normal revenues. If the amount in the Accident Reserve Fund is in excess of the total value of the aircraft held by the Club at the end of a year, such excess amount may be allowed to be transferred to the Replacement Reserve Fund at the end of the year. The amount so transferred may be allowed by the Director General of Civil Aviation to be set off against the annual contribution to be made to the replacement Reserve Fund and additional contributions to the Replacement Reserve Fund to be made only for the balance, if the financial position of the Club requires such a relief.

117. The Bombay Flying Club raised the question of covering the aircraft against ground risk with outside insurance companies irrespective of the accumulations in the Accident Reserve Fund. They considered such an insurance necessary as in the event of a total loss occurring due to fire or other causes, the amount in the Accident Reserve Fund may not be quite sufficient to replace the entire fleet of aircraft. On principle, a separate insurance for ground risks in addition to the contributions to the Accident Reserve Fund which covers ground risks also, is considered unnecessary and the expenditure should be avoided. In this matter, the Committee would prefer to leave the matter to the discretion of the Clubs, but would like to insist that once the amount in the Accident Reserve Fund accumulates to the total value of the aircraft, outside insurance against ground risk should also be dispensed with.

Investment of Accident Reserve Fund

118. Amounts can be withdrawn from the Accident Reserve Fund only with the prior approval of the Director General of Civil Aviation and can be utilised mainly for repairs to aircraft which meet with accident. In certain circumstances when the total accumulations in the Fund permit, amounts are allowed to be withdrawn for purchase of new aircraft or for additional equipment to the existing fleet. The amounts received from insurance companies, in case of an accident, are also required to be credited to this Fund. The Clubs are also required to invest the moneys of this Fund in securities and in deposits with the banks. The Committee noticed that in some cases the correct procedure was not followed in certain respects, as noted below :

- (i) amount received from the insurance company was utilised by the Club for other purposes and made good subsequently;
- (ii) amount in the Accident Reserve Fund was not invested to the extent required;
- (iii) the full amount of contribution was not credited to the Fund; and
- (iv) investments of the Fund were pledged with the bank for obtaining overdrafts.

119. The Committee was informed that the Clubs realised the need for regularising the various shortcomings in regard to this Fund and to keep it up-to-date. They could not be regular because of accumulated deficits and pressing current financial commitments. It will be observed from the Statement No. 10 that as on the 31st March, 1962 while the amount due in the Accident Reserve Fund at the various Clubs was Rs. 14,05,358 the amount actually at the credit of the Fund was Rs. 12,93,354. The short investment in the Fund, therefore, stood at Rs. 1,12,004. The Committee is of the view that the Clubs should in future deposit their current contributions to the Fund regularly and make up the deficit in reasonable periodical instalments.

Replacement Reserve Fund

120. Under the terms of the present Subsidy Agreement with the Clubs, a Fund called the Replacement Reserve Fund has to be created for the replacement of Club's aircraft due to obsolescence or expiration of life other than by accidents. The rate of contributions to the Fund is to be prescribed by the Director General of Civil Aviation from time to time. Under the existing orders, the Flying Clubs are required to contribute to this Fund, an amount equal to the amount of depreciation on the engines and airframes, written off each year. The rate of depreciation for the aero engines has been fixed at 1/4500th of the value of the engine per hour flown, and for airframes at 10 per cent per annum of the original value, with a residual value of 10 per cent in both the cases. In order to make contributions to this Fund, the Clubs have to set aside cash in each year to the extent of the total amount of depreciation written off for all engines and airframes with them. At present, however, very few Clubs have been in a position to create such a Fund and make contributions to it at the rate fixed by the Director General of Civil Aviation. The amount at the credit of the Replacement Reserve Fund in various Clubs is shown in Statement No. 11 attached to this report.

121. The present fleet of aircraft in the Clubs mostly consist of old aircraft which may have to be replaced in the near future. It is, therefore, essential that the Clubs should be in a position to accumulate sufficient Funds in the Replacement Reserve Fund. Most of the Clubs have represented to the Committee that the present rates of subsidy and subvention do not permit them to set aside cash in respect of this Fund. While recommending the rates of subsidies and subventions for the future, the Committee has taken into consideration the contributions to be made to this Fund and hope that the Clubs would in future be in a position to contribute to the Replacement Reserve Fund at the full rates prescribed by the Director General of Civil Aviation.

122. The standard cost of operation of a Club as worked out by the Committee takes into account depreciation in respect of all aircraft whether owned by the Club or obtained on loan from the Central or State Governments. The Committee accordingly considers that where a Club has got aircraft in its fleet, which have been given on loan either by the Central or by the State Government for imparting flying training, depreciation for these aircraft should also be charged in the Income and Expenditure Account and contribution of an equivalent amount made to the Replacement Reserve Fund. The amount of depreciation and the contributions made to the Replacement Reserve Fund, in respect of the Government

loaned aircraft, should be shown separately in the Income and Expenditure Accounts. The object of making such provision is to enable the Clubs to have sufficient funds to have their own aircraft ultimately, in place of the Government loaned aircraft. As recommended in paragraph 116, Clubs who have amounts in the Accident Reserve Fund in excess of the total value of the aircraft held by them, may with Director General of Civil Aviation's permission transfer to this Fund, such excess amount at the end of each year, and their further contribution will then be limited only for the balance required to make up the total equal to the amount of depreciation written off in that year.

123. The Committee feels that the rates of depreciation fixed by the Director General of Civil Aviation in respect of the aero engine and airframe are quite reasonable and should continue to be adopted. Contributions made at these rates would accumulate to the extent of 90 per cent of the value of the aircraft in the course of a maximum of 9 years, after which the contributions to this Fund may cease. With the total accumulations in the Accident Reserve Fund up to the total value of the aircraft and the accumulations in the Replacement Reserve Fund, it should be possible for the Clubs to meet without any difficulty the cost of replacement of any of their fleet.

Investment of Replacement Reserve Fund

124. Previously it was not obligatory for the Flying Clubs to deposit any amount into the Replacement Reserve Fund. The Flying Clubs were, however, asked to build up the Fund equal to the depreciation charged against their airframes and engines in the annual accounts, if their cash resources permitted. With the exception of 2 or 3 Flying Clubs this Fund was not established by other Clubs. Since 1961-62, it has been made compulsory for the Flying Clubs to set aside an amount equal to the depreciation charged in the annual accounts. After the issue of these instructions by the Director General of Civil Aviation, only two Clubs have invested the amount into the Fund during the year 1961-62. A few other Clubs have also made token deposit into the Fund during 1961-62 in separate bank accounts. Since it has now been made obligatory to make contribution to the Fund regularly and also due to the fact that depreciation has been calculated while working out the standard cost of operation of the Flying Clubs for the total number of aircraft required by various categories of Flying Clubs, regular payments into this Fund will have to be made. As withdrawals from this Fund will not be made very often as in the case of Accident Reserve Fund, it is advisable that the amount in the Fund should be deposited in the Bank Account yielding interest, in the first instance and later on invested in securities. It is recommended that 80 per cent of the total amount into the Fund should be invested in Securities, etc.

Employees' Provident Fund

125. The Master Committee, while working out the Standard Cost of operation, had included contribution to the Provident Fund to the employees as one of the items of expenditure of the Clubs. While most of the Clubs have instituted the system of Provident Fund, some Clubs, have not yet established such a Fund. The rate of contribution to the Fund in the various Clubs is not uniform and varies from 5 per cent to 8½ per cent.

One Club has voluntarily elected to pay the contributions to the Fund administered by the Employees' Provident Fund Commissioner under the Provident Fund Act. Another Club has constituted a Trust consisting of the representatives of the employees and the employer to administer the Fund. At other Clubs, the Fund is administered by the Management and the Clubs have framed their own rules on the subject. The Committee is surprised to note that in some cases, no proper annual accounts were given to the employees to enable them to know the credit in their Provident Fund Account. No prescribed rate of interest was laid down for the contributions of the Clubs and the employees. It was noticed in one Club that whatever interest was realised from the amounts which were invested was distributed to the accounts of all the employees on a *pro rata* basis. It was also noticed that in two Clubs amounts in the Fund were not invested at all. Obviously, these sums have been utilised by the Clubs for their day-to-day expenditure. The Committee thus finds that the position in regard to this Fund at some Flying Clubs is not satisfactory.

Investment of Employees' Provident Fund

126. The Clubs are expected not only to institute a Provident Fund Scheme compulsorily but also to administer it properly and to frame appropriate rules on the matter.

127. The Committee understands that if the Provident Fund Scheme of an organisation does not have the approval of the Income Tax Authorities, the contributors are not eligible for income-tax rebate. In order to ensure that the Fund is properly administered, it should be controlled and operated by an independent Trust consisting of representatives of the employees and the employers who should be charged with the responsibility of investing the Funds in interest bearing Securities and for furnishing annual accounts to each contributor. The rates of contribution to the Fund and the benefits accruing to the employees and other rules for the operation of the Fund, at the various Clubs should also be standardised.

128. The Flying Clubs do not come under the purview of the Provident Fund Act but any Club can voluntarily elect to come under the Scheme either fully or partially. In the former case, the Fund would be administered by the Provident Fund Commissioner in accordance with the provisions of the Act and the organisation has to pay 3 per cent of the total subscription (both by the employee and the employer) per month as administrative charges. Interest at $3\frac{1}{4}$ per cent per annum accrues on all contributions to the Fund. If it is found that the benefits accruing to an employee, under the Provident Fund rules of an organisation, are more advantageous, an exemption can be obtained from the Provident Fund Commissioner. Under this scheme, an employee, who has put in less than 15 years of service at the time of his demitting his service is not entitled to the full share of the employer's contributions and gets a proportionate amount in addition, of his own contributions with interest. The balance amount of the employer's contributions is retained by the Commissioner to create a Reserve for the payment of the Provident Fund accumulations to those members or their nominees/heirs, whose employers have failed to pay the whole or a part of their Provident Fund contributions. If, however, an employee leaves the organisation and joins another organisation where the Provident Fund account is maintained by the Provident Fund Commissioner, the employee would not be deemed to have left

service for the purpose of eligibility of the employer's contribution. As stated earlier the Provident Fund account at one Club (the Bombay Flying Club) is maintained by the Provident Fund Commissioner.

129. Under these conditions if an organisation elects to have partial control of the Provident Fund Commissioner the latter charge 0.75 per cent of the total monthly contribution per month as administrative charges. The Fund continues to be operated by the organisation but the investments therefrom are made on the advice of the Commissioner. The Commissioner has the discretion of taking over the Fund if he finds that it is not being operated in a proper manner.

130. Having considered these Schemes for the Provident Fund of the employees of the Flying Clubs, the Committee considers that in the interest of better administration, it is necessary that uniform rules should be laid down in all the Clubs. The Committee feels that it would be better if a small Trust Committee is formed at each Club to see that the amounts of contributions by the employees and employers are regularly received and the amounts are invested properly. This will ensure a better administration of the Fund amounts than at present. A specific rate of interest on the contributions should be guaranteed to the subscribers and an annual account furnished to them. The Committee has assumed that the present rate of contributions at $6\frac{1}{2}$ per cent of the salary of an employee—equivalent amount being contributed by the employer would continue. There could, however, be no objection to an employee subscribing more than $6\frac{1}{2}$ per cent to the Fund if he so desires and get the benefit of the usual interest thereon.



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CHAPTER IX

ACCOUNTING INSTRUCTIONS

131. One of the terms of reference to this Committee is to study the existing instructions for accounting of the grants-in-aid sanctioned by the Central Government and the assistance received from other sources, including State Governments, and to recommend instructions to be followed in preparing the Annual Balance Sheets and the Income and Expenditure accounts with a view to ensure that the grants are spent for the purpose for which they are intended and the monies are accounted for properly.

132. The Committee has carefully gone through the instructions issued in the past to the Flying Clubs for the accounting procedure to be followed and the manner in which the Annual Balance Sheet and the Income and Expenditure accounts should be prepared by them. These instructions appear to have been issued long ago and modified later in some respects. In the course of the examination of accounts of the Clubs, it was noticed that the Clubs have not followed in full the pattern prescribed for the Annual Balance Sheet and the Income and Expenditure accounts. There have been several deviations in the exhibition of the transactions, such as overdrafts, contributions to the Replacement Reserve Fund etc. Moreover, the Committee found that some of the accounts heads are redundant and some more are necessary in order to give a fair picture of the transactions taking place. With a view to give a correct picture of the expenditure met from the subsidies and subventions given by the Central Government and the assistance received from the State Governments, it is necessary that the transactions pertaining to the flying and training activities should be separately accounted for and kept distinct from the expenditure and receipts pertaining to the Social and Sports side of the Clubs. The main fact, which has influenced the Committee in recommending this separation of the transactions of the flying side from the Social side, is, that at present the actual expenditure incurred by the Clubs for the flying side could not easily be deduced from the figures of expenditure shown in the accounts. Some of the Clubs are receiving grants from the State Government in return for certain specific services rendered to them, namely, maintenance of State owned aircraft and making available their aircraft and personnel to officers of the State Government for their tours. The difficulty of ascertaining the amount which is actually left to the Club for meeting the cost of its flying activities, out of the grant given by the State Government continues to remain as before, as the Clubs do not maintain separate records of figures for all the expenditure connected with the services rendered to the State Governments. This point was also referred to by the Master Committee in paragraph 70 of its report.

133. Taking all the above factors into account this Committee would make the following recommendations :—

- (i) An Income and Expenditure account should be prepared in respect of transactions relating to the flying activities only. Separate Income and Expenditure accounts should be prepared for the Social and Sports activities of the Club. The balances in these two accounts may be combined and one Balance Sheet

for the Club as a whole prepared. In the Balance Sheet, the Assets and Liabilities of (i) Flying activities and (ii) Social and Sports activities, should be shown separately; and

- (ii) The Annual published accounts of the Clubs, which maintain State Government aircraft, may include the grant or subsidy received from the State Government and also the expenditure on running and maintenance of State aircraft and on all flying, engineering and administrative staff, including those required for the State aircraft, as at present, but the Club should maintain separate proforma account of the direct expenditure incurred on the maintenance and flying of the State aircraft and also the indirect expenditure connected therewith such as the share of establishment of flying instructors, engineers, administrative staff and their expenses.

134. This separate account is essential in order to make it possible to assess the extent of additional expenditure incurred by the Club to meet the commitments of the State Government and to see whether this expenditure is covered by the subsidy or grant received. This proforma account should also be sent to the Director General of Civil Aviation along with the Annual Audited accounts so that he may be in a position to ascertain the true extent and scale of expenditure on flying activities for which subsidies are granted by the Central Government.

135. It was noticed that a Club which received grants-in-aid from the State Government for the purchase of spares, tools, equipment and furniture, capitalised the grants and exhibited the same in the Balance Sheet. However, when the spares were consumed, the expenditure was treated as revenue expenditure and accordingly shown in the Income and Expenditure account, without the transfer of a corresponding amount from the grant as income in the Income and Expenditure Account. This resulted in a large deficit being shown in the account. This is clearly erroneous accounting. In order to avoid such irregularity, an amount corresponding to the amount of expenditure incurred should be shown as Income of the Club in the Income and Expenditure Account, and the same amount shown as reduction from the total amount of grants-in-aid exhibited in the Balance Sheet of the year.

136. In one Club, it was noticed that the expenditure on the cost of spares utilised on the overhaul of airframes, was added to the book value of the aircraft and consequently, the capital in the Balance Sheet was also inflated. This resulted in the expenditure of the year being less than what it should actually have been and consequently the Income and Expenditure account showed a surplus. The cost of such spares should normally have been included under the head 'consumed in flying' as revenue expenditure in the Income and Expenditure account. Similarly, stores consumed for engine overhauls may also be separately shown. When overhaul is done by an outside agency, the total expenditure incurred may be shown under a separate detailed sub-head under 'Repairs by Contractors.'

137. Any honorarium, value of petrol given, telephone facilities, conveyance, transport, air passage etc. given to a Member of the Managing Committee should be shown in the Accounts of the Flying Club as distinct items.

138. On the basis of the above recommendations, the Committee has drawn up a revised form of the Balance Sheet and the Income and Expenditure accounts embracing nearly all the transactions; which take place at the Clubs at present Appendix VII. It is essential that the Clubs should be required to prepare their accounts broadly in the same pattern, so as to facilitate a comparison of the transactions of one Club with those of another.

Subsidy Agreement, Extent of Financial Control by the D.G.C.A.

139. The extent of control exercised by the Director General of Civil Aviation on behalf of Government, over the management of a Club is laid down in the Subsidy Agreement between Government and the Club. The Committee has carefully gone through the terms of this agreement and the instructions issued from time to time by the Director General of Civil Aviation for the conduct of the Flying Clubs. Subject to certain observations made in respect of one or two matters in other paragraphs of the report, the Committee considers that the terms of the agreement should remain as they are and would not require modification in any respect. The Committee considers that in respect of the following matters also the Clubs should act according to the instructions issued by the Director General of Civil Aviation:—

- (i) Each Club should be required to prepare estimates of their income and receipts and expenditure for the following year, in a suitable form. This budget estimate duly approved by the Managing Committee of the Club should be sent to the Director General of Civil Aviation not later than the first week of January preceding the financial year, for which the estimates are prepared. The Committee has suggested a form (Appendix VII) which shows also the details which should be furnished along with the Estimates. To enable the Director General of Civil Aviation to watch the progress of the expenditure of the Clubs from time to time, the Clubs should also be required to send an Income and Expenditure account for the half year ending 30th September, in each financial year so as to reach the Director General of Civil Aviation by the end of October. This should be followed by a monthly statement showing the expenditure for the month of October onwards to end of February next. The monthly statement should show total expenditure up to the end of that month under the detailed heads shown in the Income and Expenditure account in the form shown in Appendix VIII.
- (ii) No Capital expenditure on (i) the existing aircraft; and (ii) other expenditure affecting the flying activities of the Club beyond a reasonable limit, say Rs. 2,000, should be incurred without the prior approval of the Director General of Civil Aviation. Similarly, no additional aircraft should be purchased without the Director General of Civil Aviation's prior approval even if it is proposed to purchase it from the general revenues of the Club.
- (iii) The Flying Clubs should not withdraw any amount from the Accident Reserve Fund and the Replacement Reserve Fund for

any purpose without obtaining prior approval in writing from the Director General of Civil Aviation. The Securities held against these Funds should not be sold or hypothecated or any kind of overdraft from the bank obtained against these Securities without the prior approval of the Director General of Civil Aviation.

Payment of Subvention and Subsidy Bills

140. The Committee noticed that certain Clubs were paying interest on overdrafts taken by them from the banks or on the credit of Securities from their Funds. It is understood that these overdrafts had to be taken for the payment of salaries of staff and for incurring normal expenditure pending the receipt of Subsidy and Subvention bills duly approved by the Director General of Civil Aviation. Certain Clubs represented that abnormal delays occurred in the passing of Subsidy and Subvention bills by the Director General of Civil Aviation. The Committee understands that certain delays have occurred in the transmission of the bills from the Aerodrome Officer. Delays had occurred in the office of the Director General of Civil Aviation also. In certain cases, delays have occurred in the Clubs submitting the bills. Delay in payment has also been caused on account of Club's having submitted incorrect claims. The Committee would suggest the following procedure to avoid delay in the submission of the Subsidy/Subvention bills, scrutiny, etc. :—

- (i) In their own interest, the Clubs should fix certain dates for the submission of their Subsidy/Subvention bills.
- (ii) The Aerodrome Officer should not normally take more than 3 days to check these bills. In order to avoid delay, he should arrange to get daily returns from the Clubs of the flight time put in by them, which must be checked daily.
- (iii) The Director General of Civil Aviation should not normally take more than 10 days in checking and scrutinising these bills and authorising the payment. The Committee would suggest that a small group consisting of an Accountant and 3 clerks should be solely entrusted with the scrutiny of the bills under the Director concerned in the office of the Director General of Civil Aviation. This group could also be entrusted with the scrutiny of the yearly, half-yearly and monthly statements of expenditure and the budget estimates. In case of detection of erroneous or doubtful claims in the bills, the amount of claim actually found erroneous or doubtful should be deducted, and the bills passed for payment in the normal time pending settlement of the doubts or errors by the time the next bill is due. It will be convenient if a register is maintained in the group to note all these defects and errors noticed and watch their settlement.
- (iv) Subsidies to the Flying and Gliding Clubs for the ensuing year should be sanctioned during the month of March so that after the funds have been placed at the disposal of respective Accountants General the first fixed Subsidy Bill should be passed for payment by the Director General of Civil Aviation during the month of April of the year to which it pertains.

- (v) A register may be maintained by the Section in the office of the Director General of Civil Aviation to show the dates of preparation and submission of the Subsidy and Subvention bills by the Clubs, the dates on which they were received in the office of the Director General of Civil Aviation; and the date on which they were passed and authorised for payment. The register may be reviewed by the Director concerned, once a week, in order that he may become aware of any delays, in their being checked and passed for payment.

141. The simple procedure as outlined above would ensure that there are no delays in payment of the Subsidy and Subvention bills. In this way, the Clubs would be able to save large amounts of money which are now paid by them by way of interest on overdrafts and loans.

Submission of Returns/Statements by the Flying Clubs to the D.G.C.A.

142. The Committee have scrutinised the forms in which various statements/returns are submitted by the Flying Clubs to the Director General of Civil Aviation and the purpose for which those are received. The Committee feels that submission of the undermentioned statements/returns by the Flying Clubs to the Director General of Civil Aviation should be sufficient to watch the activities of the Clubs :—

(i) Flying Return	.. .. Monthly	(Form CA82 as at present)
(ii) Aircraft Returns	.. .. Quarterly	(at present it is submitted every month).
(iii) Return showing the flying done by Central Government Scholars.	Monthly	(as at present)
(iv) Return for Chartered flying and Joy Rides done by the clubs.	Monthly	(as at present)
(v) Accident Reserve Fund return	Quarterly	(as at present)
(vi) Budget Estimates	.. .. Annually	(as in the proforma suggested)
(vii) Audited Annual Income & Expenditure statement and the Balance Sheet.	Annually	(as in the revised proforma suggested).
(viii) Half yearly Income & Expenditure Statement.	Half yearly	(as in the new proforma for the annual Income and Expenditure Account suggested).
(ix) Progressive monthly Expenditure Statements for the month of October to February of the next year.	Monthly (for 5 months).	(as in the proforma suggested)

Social Activities at the Flying Clubs

143. Social activities in some form or the other exist at present at the following Flying Clubs :

Assam
Bombay
Orissa
Bihar
Bangalore
Madras
Delhi
Jullundur
Madhya Pradesh.

144. Under the existing accounting instructions also the Income and Expenditure account of the Social activities is separately compiled and the surplus or deficit in the account, is added to the surplus or deficit of the Income & Expenditure account of the flying side and the final result is shown in the Balance Sheet of the Club as a whole. Under the instructions issued by the Director General of Civil Aviation, 25 per cent of the subscriptions received by the Clubs from its members may be utilised for the Social activities of the Club. The net results of the Social activities in the above mentioned Clubs for the last three years are as follows :—

	1958-59 (—) Loss (+) Profit	1959-60 (—) Loss (+) Profit	1960-61 (—) Loss (+) Profit
Orissa	—1,040·46	—1,219·34	—247·28
Bombay	—12,835·00	—12,638·00	—10,137·00
Madras	+283·00	—662·00	—354·00
Bihar	+9,130·00	+13,463·20	+5,561·90
Delhi	—222·84	+96·01	+6,166·05
Assam	—5,811·72	—225·29	—263·32
Jullundur	—1,530·31	—886·29	—1,026·85
Bangalore	(Met by State Government)		
Madhya Pradesh		—1,747·00	—1,611·00

145. In the course of the examination of the accounts of the Clubs, it was noticed that certain items of receipts and expenditure which can be shared by the Social side and the Flying side, were not actually allocated as such, but were shown either on the Flying side or on the Social side. Certain items of expenditure which purely related to the Social side were shown on the Flying side. In the accounts of the Bihar Flying Club, it was noticed that while the expenditure on the Club buildings etc. was shown on the Flying side, the rent receipts of the Club were shown on the Social side. It is understood that the Director General of Civil Aviation has insisted that the rent receipts should also be shown on the Flying side and this has been done. This Club as well as other Clubs are also receiving a large amount of subscriptions from non-flying members.

146. The Committee recognises the view that certain Social activities are necessary at each Club in order that it may provide some recreational facilities to the members who come not only for flying, but also for partaking in other social activities. It is also considered necessary that there should be some arrangement at the Club's premises to provide some kind of light refreshments not only to the members of the Club, but also on certain occasions, to the members of the staff who may be working there. Although it is held at present that the social activities should not be an undue burden on the finances of the Flying side, yet it is felt that this kind of limitation would be very vague and Clubs cannot adopt a uniform procedure for the separation of the receipts and expenditure relating to the social activities from those of the flying side. The Committee, therefore, considers that the present system of preparing accounts is not satisfactory and does not give a true picture of the receipts and expenditure on the Flying side as well as those on the Social side. It is accordingly considered essential to have separate accounts of the

Flying side and the Social side and to evolve a formula for the allocation of the revenues and expenditure of the Club between the two sides.

147. The Committee has taken into account all aspects of the receipts and expenditure of the Clubs and recommends that the following may be considered as a fair and reasonable basis for the allocation of the revenues and the expenditure between the two sides :

I. Revenue.

- (a) Entrance fees and subscriptions from flying members. 75 per cent to be allocated to the Flying side and 25 per cent to the Social side.
 - (b) Entrance fees and subscriptions from non-flying members. 25 per cent to the Flying side and 75 per cent to the Social side.
- NOTE : The above allocation will not be necessary where separate subscriptions are recovered for social activities; the entire amount of such separate subscriptions may be taken to the Social Activities account.
- (c) Rents, sale of grass, sale of Club material and other common receipts (excluding flying fees, charter flights, etc.). To be divided according to the proportion indicated in item (b) above.
 - (d) Donations or any entertainment grant etc. for specified purposes (for flying or for club activities). To be allocated according to the purpose for which the funds were donated.

II. Expenditure

- A. (i) Uniforms. Separate records of expenditure for flying and social side should be kept and the expenditure shown in the accounts accordingly.
- (ii) Postage & telegrams.
- (iii) Stationery.
- (iv) Furniture.
- (v) Books & Periodicals.
- B. Rents, rates and taxes, repairs to Club premises, etc. and depreciation. According to the floor area allocated for use of flying activities and for social and recreational purposes. This may be fixed by the Managing Committee.
- C. (i) Telephone charges. To be divided on a fixed *pro rata* basis between the Flying side and the social side with reference to the total annual expenditure of the two sides.
- (ii) Light, water, power, audit fee.
- (iii) Concessions to Honorary Office bearers etc.
- (iv) Maintenance of gardens.
- D. Expenditure on entertainments and canteen etc. Entirely Social side.
- E. Minor expenditure of capital nature on Club's premises, etc. To be allocated by the Managing Committee in a suitable proportion taking into account the purpose for which the expenditure is incurred.

NOTE : Expenditure on any other common item may be allocated, as may be decided by the Managing Committee.

148. If the above principles of allocation are adopted, both the Social side and the Flying side accounts will represent a correct picture of the expenditure of both the sides. In any Club if the accounts of the Social activities show a continuous deficit, the Club should consider the question of revising the rates of subscriptions from members for that purpose.

149. It is also recommended that Clubs which do not at present have any social activities, may be permitted to utilise or fund the receipts allocated

as above, and take it to a "Social Amenity Fund" which may be utilised later on for developing the Club amenities as and when found convenient. In this manner all the Clubs, which represented before the Committee that they should have funds for providing small amenities to the members, would be enabled to create funds of their own for starting such activities.

Accounts of Stores kept at the Clubs

150. Maintenance of proper accounts of spares and other stores in a Club and a system of control over its receipts and issues are essential for keeping a watch over the cost of operation of the activities of a Club. During the visits of the Committee to the Clubs opportunity was taken to examine the detailed accounts of stores maintained by them. Some of the defects noticed are indicated in Appendix IX. It has been noticed that in the Hind Provincial Flying Club and the Bombay Flying Club, where overhaul of engines of other Clubs is undertaken, the cost of labour is determined on an *ad hoc* basis and recoveries made. The Committee could not verify from the details maintained whether the amounts recovered were adequate or excessive with reference to the actual expenditure involved. It was also noticed that in some Clubs, periodic stock verification of spares is not being done. The Committee would suggest that the procedure as detailed in Appendix X may be followed by all the Clubs.



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CHAPTER X

MISCELLANEOUS MATTERS RELATING TO FLYING CLUBS

Management, Supervision and Control of Flying Clubs

151. The Flying Clubs are generally registered under the Indian Company's Act or the Society's Registration Act or the Co-operative Societies Act. The Flying Training School at Bangalore is, however, run as a State Government Institution. The Andhra Pradesh Flying Club was established under an order of the Governor. It is neither a registered body nor is a department of the State Government, although it functions under the management of a Committee consisting mainly of State Government officials. The Clubs, which are registered under any of the above quoted Acts, are managed and administered by elected Committee Members.

152. Generally, one of the members of the Managing Committee functions as the Honorary Secretary of the Club and is responsible for its administration. In most of the Clubs the Honorary Secretary is assisted by a paid Administrative Officer or Assistant Secretary. The success in the working of a Club mainly depends upon those who are responsible for its management. At some of the Clubs, however, the office bearers are not in a position to exercise regular supervision on the day-to-day working of the Club due to their other pre-occupations. All the Clubs have a representative of the Central Government (usually the Controller of Aerodromes or the Aerodrome Officer) on the Managing Committee. The State Government and Vice Chancellors of the Universities are also represented on the Managing Committee of practically all the Clubs. During the Committee's visits to the Clubs it was brought to its notice that the staff and the trainees at some Clubs were not satisfied with the way in which the affairs of the Clubs were handled. It was also reported that the meetings of the Managing Committee were not held regularly at stated intervals for looking into the problems of the Club. At some Clubs the training of the scholarship holders and N.C.C. Cadets suffered due to lack of proper planning and co-ordination. As a consequence, the scholarship holders and others were discouraged and preferred to stay away from flying. While this may be true, the Committee also learnt that in some cases the trainees themselves, particularly the scholarship holders, had been indifferent and failed to report regularly for flying and ground training. The Committee thus found that the pupils received their training at varying intervals with the result that continuity of training was lost and a great deal of dual flying had to be given before solo. The pupils also acquired very scanty knowledge about the technical aspects of the aircraft they flew as only a few Clubs had any regular arrangements for training in ground subjects. Although these could be attributed partly to the lack of sufficiently trained instructors, and in some cases, due to their indifference, the Committee suggests that considerable improvement could be made if the management of the Clubs could be tightened up to ensure that so far as the flying activities are concerned, the Club is run on the pattern of a regular school in respect of all *ab initio* trainees. This would imply that training will have to be arranged in suitable batches. This would to a great extent eliminate all infructuous flying. It is therefore, necessary that the Instructors should draw out a regular programme of training for the pupils both for ground lectures and flying training and that the Managing Committee should ensure that the programme is adhered to,

and also see that the trainees attend the Club regularly not only for flying training but also for ground lectures.

153. Under one of the conditions of the existing Agreement executed by the Flying Clubs with the Director General of Civil Aviation in respect of payment of subsidy and subvention by the Government of India, the Managing Committee or Board of Directors of a Club is required to consist of not less than 1/3rd active flying members. An active flying member is defined as one who has qualified for and is in possession of a current flying licence issued by the Director General of Civil Aviation or has held such a licence or is the owner of an aircraft or possesses aeronautical experience which in the opinion of the Director General of Civil Aviation renders him or her eligible. The Committee has noticed that at some of the Clubs this requirement has not been fulfilled for one reason or the other. At some Clubs, it was reported that the Management did not admit new members or permitted existing trainee members to become full-fledged members of the Club even though they had obtained a Pilot's Licence and were eligible for admission. It was explained to the Committee by the Management that as the membership subscription for temporary membership was very nominal as compared to the subscription for full membership, many trainees preferred to continue as temporary members for an indefinite period. In order to avoid such unhealthy practices, the Committee recommends that no trainee should be allowed to continue as a temporary member for more than three months after he obtains a Pilot's Licence. If he wishes to continue as a member of the Club, thereafter, he may be admitted as a full member with voting rights in accordance with the normal rules of the Club. The Club may, however, impose a condition in the constitution making him ineligible for becoming a member of the Managing Committee unless he has been a member of the Club for a period of two years. If any such condition is imposed, it should equally apply to the ordinary members of the Club as well. The constitution of the Clubs where such a provision does not exist may be required to be suitably amended. This provision is suggested because some Clubs feared that it may create a very unstable situation if very young and inexperienced persons were admitted in the Managing Committee in any large number. The Committee also feels that the Clubs should maintain a register of all applications received for temporary or permanent membership of the Club, where this is not already being done, giving full particulars of the candidates and this register should be inspected periodically by the Aerodrome Officer or any other representative of the Director General of Civil Aviation.

154. Further, the Committee feels that with a view to regulate properly the flying activities of a Club it should be made mandatory that the Managing Committee or the Board of Directors shall consist of 1/3rd active flying members. In order to enforce this requirement it is recommended that the Clubs be required to incorporate this provision in their constitution. Payment of subsidies to the Clubs should only be sanctioned on the fulfilment of this condition. Government may, however, grant exemption from this provision in cases where they are satisfied that it is not practicable to enforce it. The existing provision that trainee members should not have voting rights until they qualify as Private Pilots is a wholesome provision and the Committee feels that it should be retained.

155. The Committee would also suggest that the representatives of the State Government and the Central Government should take more active

interest in the meetings of the Managing Committee and take part in the review of the working of the Clubs with particular reference to the training problems in order to ensure that the required facilities to members and other trainees are provided and the grants given by Government are properly utilised. The Committee would further suggest that, if the Honorary Secretary of a Club, who should preferably be a flying member, is not in a position to devote sufficient time to look after the affairs of the Club, he should be assisted by a full-time official whose duty should be to bring to the notice of the Managing Committee from time to time all matters connected with the management, discipline and training in the Club. It is not considered proper to associate the Chief Pilot Instructor or any other member of the staff with the Managing Committee. This does not, however, follow that the technical staff such as the Instructors and Engineers may not be consulted in regard to technical matters.

156. The Aerodrome Officer, as the Director General of Civil Aviation's representative should also keep the Director General of Civil Aviation informed from time to time of the decisions of the Managing Committee in respect of all matters connected with flying and the finances of the Club. This aspect *inter alia* involves consideration of the question of the extent of Government supervision on the working of the Clubs.

157. The Committee finds that this matter had been examined in considerable detail by the Master Committee in paragraphs 81—85, 255 and 276 of that Committee's Report. The Committee feels that it would be worthwhile to reproduce what the Master Committee had said in their report :

*"276. Supervision and Control of Civil Air Board over Flying Clubs—*Although the D.G.C.A. enjoys large powers of control over the activities of Flying Clubs the unfortunate impression that we have formed, as the result of the evidence that has been given before us and the visits which we have paid to the Flying Clubs, is that there is not only lack of understanding and appreciation of each other's difficulties between the D.G.C.A. and the Flying Clubs, but there is also the absence of that cordiality and harmony between them which are essential for the success of training institutions. The Flying Clubs unfortunately do not believe that the D.G.C.A. has been acting in their best interests. The D.G.C.A. on the contrary feels that the Clubs are not conducting their affairs properly which defeats the object with which they have been subsidised. Human institutions like human relations, cannot be successfully conducted by the authority of merely pure cold logic. They require tact, patience, intelligent understanding, imagination, vision and last but not least, that flow of human touch and human sympathy, which alone can bring success in an erring world. We have already indicated our approach towards a solution of this problem in paragraphs 81—85 of Chapter II. We consider the matter of such importance that we would like to repeat what we have said therein :

Whatever may have been the justification in the past for investing the D.G.C.A. with the wide powers which he enjoys in directing the affairs of the Club, the Committee is convinced that if the leading public men connected with the Club are to be induced to wield their influence and give their guidance and advice in managing the affairs of the Club and to put them on economic and efficient footing of modern concept, power should be left in their hand without any interference or dictation from

outside. We are aware of the fact that the Central and the State Governments would like to be satisfied that the large amount of subsidies which they give to the Clubs are properly and economically utilised. The way to achieve that end is not to invest wide powers in the hands of a single individual. The Managing Committee of the Clubs should be given fullest opportunities and powers to act as a responsible body.

277. We would not, therefore, like normally to have any interference with the activities of the Clubs. We must, however, recognise the right of the Government to ensure that the best use is made of the subsidies which they give and that the highest standard of civil flying are maintained. It will be for the Civil Air Board to exercise the supervision and the control that may be necessary for achieving that common object. This is another vital consideration which, in our opinion, fully justifies the bringing into existence of Civil Air Board."

158. The observations of Shri T. P. Bhalla, a member of the Master Committee, on the above paragraphs were as under :—

"Para 276 : It is human nature to protect against any curbs. In the past as D.G.C.A. had no staff, the clubs did as they pleased with poor results as found by the Indian Air Force when they examined the licence holders trained in the clubs. Vested interests grew up and proposals for reform and efficiency met with opposition of those interests. No definite instance has, however, been proved by the clubs before the Committee when the D.G.C.A. acted against the interest of the clubs and his solicitude for them was amply proved when he fought for non-diminution of the Club subsidy by a single pice inspite of demand for retrenchment. If the statements of a few interested persons, however, are to be accepted without scrutiny, no Committee, no individual and not even Government today are without blame. The existing system has worked all these years and it is for consideration if the post-war expansion that has taken place in the club flying, could have been achieved without mutual co-operation and joint efforts of the club and the D.G.C.A. Too much meaning, therefore, should not be read into the bickerings of a few interested persons. I may repeat that it is inaccurate to say that the D.G.C.A. in his person possesses wide autocratic powers.

Para 277 : No more has been attempted by the D.G.C.A. than to secure the best use of the subsidies and the clubs did not give a single example of any improper interference in their internal administration."

159. The Government did not accept the recommendations of the Committee and decided that the Director General of Civil Aviation should continue to control the activities of the Clubs.

160. On the basis of the evidence given before the Committee, the visits paid by it to the Flying Clubs and on the scrutiny of the accounts of the Clubs, the Committee has come to the conclusion that there is much room for improvement with a view to achieve better financial results. Having regard to the situation arising out of supervision of the Clubs by people of high position in honorary capacity, their enthusiasm and zeal for doing their best for developing the Flying Club movement in the country and the difficulties inherent in the situation because of their pre-occupation with their normal vocation, it is felt that the Honorary office bearers cannot reasonably be expected to exercise adequate control at every Club. The Committee, however, shares the views of the Master Committee that the Clubs should continue to have the benefit of supervision by elected office bearers who are

active enthusiasts of Sport Flying, and at the same time it is desirable to have some organisation to exercise supervision and control to promote efficiency and economy in the running of the Clubs. The Committee also appreciates the view that since the Clubs subsist primarily on Government assistance, the requisite control on behalf of Government can be best exercised only by the Director General of Civil Aviation. The Committee is inclined to feel that during all these years, the scope and extent of Government control on the administration of the Clubs, has not been properly understood. The Clubs have a feeling that the visits of the officers of the Director General of Civil Aviation have not been so frequent or useful as may have been desirable to enable them to fully appreciate their difficulties. The Committee feels that the Director General of Civil Aviation can be expected to effectively exercise such supervision, only if he is given adequate machinery and the Clubs made to understand clearly the extent and scope of his supervision. The Committee recommends that a senior officer of the Civil Aviation Department who is well conversant with the working of the Flying Clubs should be periodically deputed to inspect the records of the Clubs. He may be assisted by an Accountant and adequate staff. The officer concerned will be in a position to see that the training is being imparted properly and the training records are being well maintained. The Accountant will scrutinise the initial accounts of the Clubs and be of guidance to the Accountant at Headquarters office in connection with the passing of subsidy and subvention bills and scrutiny of the Balance Sheet of the Clubs. It will also be the responsibility of this unit to look into the difficulties which the Clubs may be facing in the day to day working.

Concessions to Office Bearers and Staff of the Clubs

161. The Committee finds that the pattern of concessions etc. extended to the Honorary Office Bearers and the Staff varies widely from Club to Club. These do not generally seem to have been granted on any uniform or reasonable basis. While some Clubs do not extend any concessions to Honorary Office Bearers or staff at Club expense, other Clubs have allowed concessions such as transportation facilities etc. to their Office Bearers and Committee Members, either by way of a prescribed quantity of petrol per month for use in their cars, or grant of car allowances, and flying hours at concessional rates. For the members of the staff, conveyance allowance at fixed monthly rates are granted or they are allowed free transport in Club vehicles. At the Hind Provincial and Rajasthan Flying Clubs the nature and extent of concessions to the Honorary Office Bearers appears to be very liberal as compared to the position obtaining at other Clubs. A statement showing the particulars of the various concessions etc. granted by the Clubs and the expenditure incurred during the year 1961-62 on the basis of information furnished by the Clubs is appended to the report (Appendix XI).

162. Expenditure of this nature has to be met from the revenues of the Clubs which primarily consist of Government grants. The cost of these amenities or concessions has therefore to be considered while determining the amount of subsidy to be paid by Government. The Committee, accordingly observes that it would be desirable for the Managing Committees of the Clubs to lay down a fairly uniform pattern of concessions to be granted to the Honorary Office Bearers, who may be expected to frequently visit the Clubs for exercising supervision or to go out of station for Club work. This could be achieved by paying actual expenses or by prescribing a transportation allowance, not exceeding Rs. 200 per month (depending on the distance) to such Office Bearers who have to attend the Club regularly to supervise the

work. In addition, the Club may pay them or other Committee Members, Travelling Allowance and Daily Allowance at same rates as are admissible to Class I Officers of the State Government, whenever they proceed outside the station. The Committee considers that expenditure on any other form of concessions to Honorary Office Bearers is not only an unjustifiable charge on the revenues of the Club, but also bordering on undue extravagance. As regards the concessions allowed to staff of the Clubs, such as conveyance or car allowances, the Committee has given its recommendations separately on the reasonable rates of conveyance or car allowance that may be given to them. These rates of allowances have been taken into account in working out the Standard Cost of the Clubs on which the Subsidy Scheme is based. The Committee considers that free transport allowed to low paid staff in certain Clubs may be allowed to continue as at present. The Committee strongly feels that the Clubs should economise their expenditure by not granting any other concession other than those mentioned above.

Extravagant Expenditure incurred by the Clubs

163. In the course of the examination of the accounts of the Clubs, the Committee noticed certain cases of apparently extravagant expenditure, particularly on the maintenance of motor transport, telephone charges and non-revenue flights, other than on Government account. The telephone charges of one Club for a period of five months amounted to as much as Rs. 2,454 and the annual maintenance charges of the transport amounted to Rs. 17,000. The non-revenue flying hours in one Club were found to be 360 and 376 hours during the years 1960-61 and 1961-62 respectively. The Committee considers that such high expenditure is not justified and the Clubs concerned should take steps to economise on them.

Outstanding dues from Members

164. The Committee feels that the Flying and Gliding Clubs do not appear to have taken adequate action in the past for realising amounts due from members (Flying and Non-flying) by way of subscriptions, flying charges, social activities etc. Had prompt and strict measures been adopted by the various Clubs right from the start, in realising these amounts when they fell due, the question of either writing off amounts due or having outstandings under 'Sundry Debtors' on this account, the Committee feels, would not have arisen. During the last five years an amount of over Rs. 6,000 has been written off by six Clubs. Over a lakh of rupees is pending for recovery from Flying and Non-flying Members at seven Flying Clubs, vide details in Appendix XII. The outstandings from Flying Members will not presumably accumulate in future due to stoppage of credit flying. Action is stated to have been taken to recover the huge outstandings in order to avoid their being written-off. If no recoveries are forthcoming, large sums will have to be written off in the coming years. Had the Managing Committee reviewed the position from time to time, this state of affairs could have been prevented.

Spare Parts

165. The Committee was informed by the Clubs that procurement of spares was an acute problem. As most of the trainer aircraft are imported types, the Clubs face considerable difficulty in obtaining the spares through the very few local concerns dealing in this trade. Due to non-availability of certain parts in the country and delay in their import they have at times to wait for six to ten months in getting a part. This consequently delays work on aircraft affecting its utilisation and hampering training programme. In their anxiety to avoid such situations Clubs have been incurring considerable

expenditure on stocking spares. Even then, the Committee were informed. experience has shown that work on aircraft, has in several cases been delayed because of non-availability of a particular part. Thus while on the one hand Clubs invest large amounts in piling up spare parts, on the other hand, the purpose is not achieved as maintenance of aircraft continues to suffer for want of spare parts. Further, the Committee learnt that at certain Clubs there are considerable spare parts (this particularly refers to Tiger Moth aircraft) no more needed at the Club, awaiting disposal but there are no buyers. This has resulted in blocking of funds. The details of investment and consumption of spare parts at the various Flying Clubs will be found at Appendix XIII. It will be observed that as on the 31st March, 1959, the value of the stock of spare parts at the various Flying Clubs was Rs. 13,03,349 and the corresponding figure as on the 31st March, 1961, was Rs. 16,49,440. During this period of 3 years stocks worth Rs. 9,18,025 were consumed and the value of further stocks acquired was Rs. 17,09,998. These figures would suggest that it is necessary to take some active steps with a view to see that the Clubs are assured of an adequate supply of spare parts as and when needed and at reasonable rates. This would go a long way in discouraging the Clubs from blocking funds in the piling up of the spare parts and to considerably reduce the incidence of cost on this item of expenditure. The Committee was informed that the Aero Club of India is considering a proposal for establishing a Co-operative Society in consultation with all the Flying Clubs for stocking essential spare parts. Such a scheme if worked out properly may ease the present difficulty to a considerable extent.

Workshop facilities at Flying Clubs

166. The Committee noticed that the workshops at all the Flying Clubs are sufficiently equipped for the maintenance and Certificate of Airworthiness for the types of aircraft mainly used by them. Facilities for the overhaul of engines are however available only at the workshops of the Flying Clubs at Bombay, Madras and Kanpur Branch of the Hind Provincial Flying Club. The Andhra Pradesh Flying Club carries out engine overhauls to a certain extent only and for one or two items of work, the services of the Indian Airlines Corporation base at Begumpet Aerodrome are being obtained. Unlike the Madras Flying Club, the Bombay and the Hind Provincial Flying Clubs, have been undertaking Certificate of Airworthiness and engine overhaul work of the sister Clubs also. The overhaul of Chipmunk engines loaned to the Clubs by the Government of India, has in some cases been carried out at the Civil Aviation Training Centre, Allahabad. Some Clubs have been getting their engines overhauled also at the Hindustan Aircraft Limited or other commercial concerns. The charges for overhaul of engines carried out by the Clubs, the Civil Aviation Training Centre, the Hindustan Aircraft Limited etc. do not admit of any comparison being made. An idea of the different amounts charged can be had from the following data collected by this Committee :—

CHARGES FOR ENGINE OVERHAULS

Hind Provincial Flying Club, Kanpur

<i>Lycoming Engines</i>	Labour Charges Magnafluxing charges ..	Rs. 1,200
		150
		Rs. 1,350
		plus all the charges for spare parts.

Bombay Flying Club

(a) <i>Lycoming Engine</i>				Labour Charges	1,750
				Magnafluxing charges	250
				Signing out charges	250
				Carburettor overhaul (labour) charges.	100
					<hr/> Rs. 2,350*
(b) <i>Gypsy Major</i>				Labour charges	1,450
				Magnafluxing charges	150
				Signing out charges	150
				Carburettor overhaul (labour) charges.	100
					<hr/> Rs. 1,850*
(c) <i>Continental C-90</i>				Labour charges	1,250
				Magnafluxing charges	150
				Signing out charges	150
				Carburettor overhaul (labour) charges.	100
					<hr/> Rs. 1,650*

*Materials if supplied—extra.

Air Survey Co., of India Private Ltd., Calcutta

Labour charges for complete overhaul

			Rs.
Lycoming	0-290-0	..	1,750
"	G0-480	..	3,000
"	0-435-C	..	3,000
"	IGS0-480	..	3,500
Continental	C-90-F	..	1,750
"	E 185-E 225	..	2,500
Gypsy Major	10	..	1,750
Continental	TS 10-470	..	1,750
			<hr/> 3,000

167. As the Clubs generally incur a sizeable expenditure every year, on this account and have also to meet with more than normal delay in some cases resulting in the non-utilisation of aircraft, the Committee considers that the workshop equipment at certain Clubs should be augmented, so that the engine overhauls of the neighbouring Clubs may be carried out at reasonable cost. The Committee suggests that the Madras Flying Club Workshop, should undertake the overhauls of the engines of the Clubs at Trivandrum and Coimbatore. The Workshop at the Bombay Flying Club may serve the Clubs at Nagpur, Baroda, Indore and Bhopal. The work of overhaul of the engines of the Clubs at Jaipur and Jullunder can be undertaken by the Delhi Flying Club if the Workshop facilities (which were destroyed in May, 1958) are now reinstated. The Hind Provincial Flying Club Workshop at Kanpur can undertake the work for all the Clubs in the Eastern Region.

168. If the above scheme is worked out, it would be necessary to lay down that no Club should be charged more than the actual cost of materials and labour plus a reasonable percentage to cover overhead charges.

169. The Committee is of the view that implementation of this scheme will go a long way in reducing the cost of this essential item of expenditure in the financial working of all the Clubs. The Committee further feels that

the annual Certificate of Airworthiness which is carried out at the end of each year may be allowed to be done on completion of a prescribed number of flying hours as is the position in some of the Western countries. As the matter appears to be under the consideration of the Director General of Civil Aviation, the Committee presumes that suitable instructions will be issued by him in due course. This would save to some extent the annual expenditure incurred by the Clubs on the Certificate of Airworthiness of the aircraft.

Scheme of Grant of Scholarships for Flying Training

170. In paragraph 244 of the Report of the Master Committee, it was recommended that flying training should be given to selected school and college students and teachers free of cost to provide additional flying work per annum for each of the Clubs in the country. It is presumably with reference to these recommendations that scholarships are granted both by the Central Government and the State Governments to selected school and college students. The scholarships have taken the form of grant of Rs. 10 to the Clubs for each flying hour performed by these students. The amounts are paid by the Central and State Governments concerned direct to the Flying Clubs.

171. The Committee during its visits to various Clubs examined the working of the scheme. The number of scholarships granted by the Central Government and the State Governments to each of the Clubs during the last three years is given in the Annexed Statement (Statement No. 12). It came to notice that the proper training of these scholarship holders, was affected on account of the following factors :—

- (1) The scholars had to come from their homes situated at long distances from the Club and they experienced some difficulty in getting suitable transport for being present at the Club at the proper time.
- (2) Many of the scholars were not regular in their attendance and had absented themselves frequently with the result that the continuity of training was lost and a great deal of dual flying before solo had become necessary.
- (3) The equipment of most of these scholars was not upto the mark and a large percentage failed a number of times in the written examination on Legislation.
- (4). A few scholars were not able to go solo even after dual instruction to the maximum extent given to them.

172. As a result of the above factors, it was stated before the Committee by all the Clubs, that the number of scholars who completed their course and obtained 'A' Licence was much below the expectations. On an enquiry as to whether flying aptitude of the scholars could not be tested within a reasonable period of five to ten hours of dual instruction and the scholarships discontinued when the candidates were found not suited for further training, it was admitted by all the Clubs that this could be done, but it would mean ultimately a loss of revenue to the Clubs on account of the lesser number of flying hours. The Clubs, therefore, suggested that the scholarship granted to an individual who has been stopped from flying or who has discontinued flying by himself, might be permitted to be transferred to another scholar who may be selected by the Flying Club. Some of the Clubs were also of the

opinion that the selection of candidates for the scholarships should be made by applying a more strict standard. One or two Clubs were of the view that the condition on the grant of scholarships to persons whose parental income is less than Rs. 800 be waived and that the scholarships granted to all deserving pupils. The consensus of opinion was that the scholarships should be made transferable to another individual on the waiting list.

173. The Committee noticed that the drawbacks mentioned in the scheme of grant of scholarships, as mentioned above, were responsible for the large number of hours of infructuous flying, i.e. expenditure on subsidised flying not resulting in the grant of Licences. It is considered that the present scheme of the grant of scholarships to college students, with a view to spread air-mindedness and developing a potential reserve in case of emergency, is ideal and should be continued, especially with a view to provide opportunities to such of those who may prepare themselves for a career in aviation. As, however, this technical training and this knowledge of aviation subjects requires a fairly high standard of education to begin with, the Committee would venture to suggest that the aptitude of the students selected for the grant of these scholarships should be tested by some means and only those who are well grounded in science or allied subjects should be given preference. This is particularly necessary in view of the provision in the new Licensing Rules that trainees for the Private Pilot's Licence should undergo a written examination on four subjects viz. Air Legislation, Navigation, Meteorology and Aircraft and Engines. The scholarships should be awarded only to such deserving pupils irrespective of considerations of their parental income subjects to usual reservation for Scheduled Caste and Scheduled Tribes candidates.

174. It was noticed that certain State Governments are giving annually a lump sum to the Clubs for the grant of scholarships to students of colleges and others to acquire flying training in the Clubs. The scholarships were awarded to candidates selected by the Club from the applications received and a statement of expenditure on these scholarships sent to Government to enable them to see the utilization of the grant. The Club carries forward the unspent amount from year to year.

175. In one Club, the State Government gives an annual grant of Rs. 7,000 for the scholarships. They have fixed the number of scholarships for students going for 'A' Licences as five and the other scholarships are to be given for those going for advanced training. It was noticed that on the basis of these orders, the Club had awarded the scholarships for advanced training to various persons, who had already taken 'A' Licences. In the background of the policy of Central Government not to encourage men to go in for 'B' Licences, it is not clear whether the policy of the State Government and the action of the Clubs in awarding these scholarships to the existing holders of 'A' Licences for piling up the hours is correct and should be encouraged. These scholarships to existing 'A' Licence holders had been granted not on any determined principle but given to persons selected at the discretion of the Club Management. The Committee would, therefore, suggest that the position should be reviewed and a settled policy intimated to all State Governments in the matter of grant of these scholarships.

176. As regards the scholarship holders who live far away from the aerodrome and who would find it difficult to come for flying training, the Committee considers that in respect of boys whose parent's or guardian's

income is less than Rs. 300 per month, an additional grant of Rs. 200 per candidate may be given in suitable instalments to meet their out of pocket expenses like transport, books, kit, breakfast, etc. The Committee understands that such assistance is given to Harijan scholarship holders by the Government of Kerala. The extra cost on account of this grant will have to be met by the Central/State Government which awards the scholarships.

177. With regard to the irregularity in attendance of the scholarship holders, the Committee considers that before scholarships are awarded, the pupils or their guardians should sign an undertaking that in case they discontinue the training before its completion, they would agree to refund the scholarship amounts paid to the Clubs on their behalf. They should also be made to understand that Government in granting these scholarships can discontinue it, if the progress of their training is not found satisfactory.

178. With regard to the difficulties felt by the trainees in passing the written examinations, it was represented to the Committee by one or two Clubs that many of the candidates could not express themselves correctly in English and, therefore, the examinations should be held in the regional language. This, however, would not seem to be practicable; under the new Licensing Rules, the candidates who come for training for the Private Pilot's Licence would be required to take written examinations in four papers and it is essential that they should be well equipped to understand theoretical lectures given to them. The Committee feels that these lectures could be imparted only in English for the present and the examinations should, therefore, be only in English. The Committee would, however, suggest for consideration that with a view to simplify the tests, the questions may be asked on the American Quiz System, by which the candidates' knowledge is assessed by the correctness of their answers and not by the ability to express themselves correctly. The Committee also recommends that the examinations may be held as frequently as possible, if not once in a month, so that the trainees need not wait for long periods before sitting for the tests.

179. The Committee notes that under the new Licensing Rules, it would be necessary for the candidate to have more flying experience than before. The Committee has separately recommended to the Ministry of Transport and Communications that the maximum amount of subsidised hours of flying for a trainee to obtain a Private Pilot's Licence should be raised from 40 to 75. In consequence of this, the number of flying hours for which scholarships should be given should also be raised from 50 to at least 75. It would be necessary to keep the State Governments informed so that they may accordingly revise their scheme.

Training of Instructors for the Flying Clubs

180. The Committee finds that there is a dearth of qualified Pilot Instructors at the Flying Clubs and the number of trained personnel is not commensurate with the programme of expansion of the Flying Club movement in the country. The shortage of Instructors, therefore, stands in the way of opening of new Clubs or expanding the activities of the existing Clubs and is a major contributory factor in creating a demand for higher salary scales. This is also a handicap in achieving a uniform standard of training at the Clubs.

181. In 1953 while examining this problem the Master Committee had recommended that the Flying Instructors should undergo regular training at the Flying Instructor's School of the Air Force at Ambala in order to ensure uniformity of standard. They should also undergo periodical refresher courses and a categorisation test at that School. The Government were inclined to the view that it might be useful for civil Flying Instructors to undergo a refresher course at the Air Force School at Ambala and decided to make arrangements for the same on an *ad hoc* basis in consultation with the Indian Air Force. The Committee understands that the scheme could not materialise.

182. Subsequently the problem of having suitable and adequate Pilot Instructors was examined by the Raha Committee. In 1958 the Committee recommended that the Flying Instructors who were expected to be released by the Indian Air Force should be utilised for augmenting the Instructor's strength at the Flying Club by sending them to the Clubs on deputation. That Committee appreciated that this, in itself, would not, of course, fill the entire gap of the shortage of Instructors at the Flying Clubs. It also recommended that the existing Instructors at the Clubs and future aspirants for Instructor's Rating should be sent to the Indian Air Force Instructors' Training School at Tambaram, under arrangement with Air Headquarters. It also recommended that the present system of permitting Assistant Pilot Instructors without Instructor's Rating to impart instruction in flying should be discontinued and in their place, only Assistant Pilot Instructors holding current Instructor's Rating trained either at Tambaram or at any other place where an approved training can be given to them should, in future, undertake training of pilots in the Clubs. It also recommended annual checks and periodic refresher courses for the Instructors. Government accepted these recommendations. It is, however, understood that the scheme could not be implemented and that an Instructors' Course could not also be conducted at the Civil Aviation Training Centre.

183. The Committee thus observes that during the last ten years or so it has not been possible to improve the position regarding training or check of Pilot Instructors. Some persons have, however, been issued Pilot-Instructor's Licences after undergoing training under approved Instructors at the Clubs. The Committee apprehends that a stage may reach when the existing senior Instructors may not continue to remain available, for imparting training at Clubs, for some reason or the other. This is bound to create a vacuum and not only paralyse the flying training programme at the Clubs but also seriously affect the standard of training as recently enforced under the new Licensing Rules.

184. The Committee, therefore, strongly recommends that immediate steps should be taken to train Instructors in sufficient numbers and to evolve a suitable machinery to subject the existing Instructors to appropriate check. The Committee also feels that the training should be on voluntary basis and the trained personnel expected to find jobs on their own.

Charges for Flying Training

185. The Master Committee who had examined the question of flying charges to be recovered from the trainees was of the view that to spread airmindedness, persons at Flying Clubs below 28 years of age should be charged only Rs. 10 per hour and persons above 28, Rs. 15 per hour.

irrespective of nationality, to obtain a Private Pilot's Licence and renewal of licence. That Committee was further of the view that any person, irrespective of age, going for sport flying should be charged Rs. 25 per hour subject to a maximum of 20 hours in a year and the total subsidised flying of all sorts at a Club being not more than 4500 hours. Government, however, decided that for all non-N.C.C. trainees who are Matriculates and below 28, the flying fee should be Rs. 10 per hour and for all others Rs. 25 per hour up to a prescribed limit of hours each year.

186. All the Flying Clubs and others who gave evidence before the Committee were generally of the view that there should be no difference in rates of flying charges for those below 28 years of age and for those above the age of 28 and that the rate should uniformly be fixed at Rs. 10 per hour irrespective of age. They held the view that the rate of Rs. 25 per hour could be afforded only by very few members and that a reduction in rate to Rs. 10 will afford encouragement to the hobby fliers above the age of 28, to do more flying than at present. The Committee, has not been able to obtain statistics of number of hours of sport flying by those above and below the age of 28 in order to assess the probable number of additional hours of flying which the Clubs may get on account of the reduction in rates from Rs. 25 to Rs. 10 per hour. Assuming that roughly about 10 per cent of 30,000 hours (which is roughly the total subsidised flying at all the Clubs during 1961-62) will be the increase in flying hours by persons above 28 years of age if a reduction is made in the rate from Rs. 25 to Rs. 10 per hour, the extra cost to Government by way of subvention would be Rs. $15 \times 3,000$ or Rs. 45,000.

187. The Committee has given considerable thought to this matter and feels that the test which should properly be applied to the case for reducing the rate of flying charges, is, whether there would be any kind of benefit to the country in subsidising the hobby flying for persons of the higher age group, who are not likely to take to advanced training for taking Commercial Pilot's Licences or to be employed in any manner useful to the country. The Committee, however, understands that the Act governing the Air Force Reserve and the Auxiliary Air Force provides that a Private Pilot's Licence holder may be called upon by the State to serve in the Air Defence Reserve of the country, if he has had not less than 200 hours experience of solo flying, including not less than 30 landings and provided he has not attained the age of 37 years. There is, therefore, some sort of liability on the part of a Private Pilot's Licence holder, to be called upon for service in an emergency. In consideration of this liability, the Committee is inclined to recommend that all persons up to 37 years of age, may be allowed subsidised flying at the Clubs at the rate of Rs. 10 per hour up to the number of hours fixed per annum. Those above the age of 37 should ordinarily be required to pay flying charges at Rs. 25 per hour as at present. Lt. Col. G. V. Raja, a member of the Committee, however, supported the unanimous request of all Clubs and almost all members who met the Committee, that flying rates should be only Rs. 10 per hour irrespective of age. His view is "in times of emergency like war all fliers will have to play their part although the older people might not be competent to fly the modern jet fighters, they would still be useful in carrying supplies, moving troops and other essential services. The fact that a number of most competent commercial pilots are above 37 years proved that age is not the final criterion in flying. India is a vast country and its potential air power is far from

satisfactory and hence every effort should be made to increase its power without restriction of age at least for some time to come."

188. The Committee considered the rate of recovery that should be made for flying at non-subsidised rates. At present, in the case of trainees who are not able to obtain an 'A' Licence on subsidised rate, the rate is Rs. 50 per flying hour in the case of Clubs in Classes I and II and Rs. 60 in the case of Clubs in Classes III and IV. Under the Subsidy Scheme proposed by the Committee, a Flying Club will receive a subvention of Rs. 50 per hour which is intended to cover all direct flying charges. In addition, the Club will recover from the member Rs. 10 per hour. It is, therefore, recommended that in case a trainee who has not been able to obtain his Private Pilot's Licence within the permissible limits of subsidised flying, he should be required to pay at Rs. 60 per hour for all extra hours of flight made by him till he is able to get the Licence. Similarly, if a trainee is not able to go solo within the prescribed limits, he should pay the non-subsidised rate of Rs. 60 per hour for further flying till such time as he goes solo. This rate may be made applicable to all classes of Flying Clubs. If a member desires to fly more than the annual limit of subsidised flying, he should be required to pay at the full rate, i.e. the standard cost of operation according to the classification of the Club.

Charges for Night and Cross-country Flying

189. According to the prevailing practice charges for flying per hour by a trainee or a hobby flier, according to his age group or educational qualifications, are uniform and do not depend upon the nature of flight i.e. whether it is a local or a cross-country flight or a flight by night. Some of the Clubs represented to the Committee that flights by night or cross-country flights involve an element of extra expenditure on account of cost of battery, electrical equipment, cost of petrol, overtime allowance to staff etc. The Committee appreciates the point made out by the Clubs but is of the view that in so far as the *ab initio* trainees are concerned it would not be desirable to require them to pay anything over and above the prescribed flying charges for cross-country training essential for the issue of the Private Pilot's Licence. However, the Committee feels that it may not be unreasonable for a Club to charge a member who has already obtained a Private Pilot's Licence the actual extra expenses incurred on such flights. It has been noticed that in one or two Clubs, Bonanza aircraft is being used not only for advanced training but also for hobby flying by members of the Clubs. The flying charges may continue to be levied at the same rates as are applicable to other aircraft so far as instructional training hours are concerned. For hobby flying by members, the Committee would suggest a flying rate of Rs. 25 per hour to be recovered, as it has been found that the cost of operation of this aircraft is comparatively high. The seating capacity of this aircraft is also more and the speed is also nearly twice as much as that of the ordinary trainer aircraft. The increased rate of recovery is, therefore, justified.

Flying Charges for Foreign Nationals

190. Government of India forwarded to the Committee for consideration a copy of a letter received from the Accountant General, Maharashtra, regarding the provisions in Clause 7(b) of the Subsidy Agreement which lays down that the Club will use every endeavour to encourage Indians of all communities to take up flying without discrimination as to place of

origin or domicile within India. The Accountant General, Maharashtra, expressed the view that as sufficient number of trainees of Indian nationality are now undergoing training at the Clubs, the reasons for extending the same subsidised training facilities to foreign nationals do not exist any more.

191. The Committee note that this question of recovering a higher rate of flying fee from a foreign national undergoing training in a Club was considered by the Master Committee and they recommended that a person whether an Indian or non-Indian should be charged only at the same rate. This recommendation was accepted by Government. At present, the number of foreign nationals undergoing training in the Clubs is very small considering the number of Indian nationals undergoing training.

192. The Committee considers that a higher rate of flying fee for the small number of trainees of foreign nationality would not be quite justified, nor would Government be losing an appreciable sum by applying the same rate to foreign nationals also. On the other hand, the application of the same rate would avoid the odium of a discrimination being made in the same Club. The Committee, therefore, recommends that no change in the existing position is necessary. Clause 7(b) of the Agreement may be suitably amended to make the point clear.

Flying Charges for Joy Rides and Charter Flights

193. The Committee feels that Joy Rides can help in spreading air-mindedness and should, therefore, be provided at some concessional rates. It is, therefore, recommended that the Flying Clubs should charge the non-subsidised rate of Rs. 60 per hour, i.e., Rs. 5 and Rs. 10 for each Joy Ride of five and ten minutes' duration respectively. The charter flights should, however, be provided on commercial basis. A suitable rate may be fixed by the Director General of Civil Aviation after taking into account the standard cost of operation as determined by the Committee for various classes of Clubs.

Insurance of Engineers and other Technical Staff

194. The Committee finds that some of the Flying Clubs have insured their Chief Engineer and Assistant Engineer for ground risk and for flying risk while going in an aircraft on test flights. The mechanics and cleaners have also been insured for ground risk. The amount of insurance varies from Club to Club and the premium is paid out of the Club revenues. The Committee feels that the normal criteria for insurance in the case of such staff should be that only a qualified engineer who is required to go on a test flight may be insured for a limited number of hours. The insurance premium in this case is nominal. The amounts for which the ground personnel, who are required to fly on test flights, are to be insured may be fixed at Rs. 10,000 for an Aircraft Maintenance Engineer and Rs. 15,000 for a Chief Engineer for a maximum of say 25 hours per annum.

195. Hangar staff drawing less than Rs. 400 are protected under the Workmen's Compensation Act, and no insurance cover is taken by any of the Clubs to cover the risk except by one or two Clubs. It does not appear to be necessary for these Clubs to incur additional expenditure against this cover.

196. It has been noticed that one Club pays premium against Fidelity Guarantee Insurance in respect of the Accountants, Store Clerks and some Cleaners, etc. It is not considered necessary for the Club to pay this premium. Employees who are required to handle cash or stores only should be covered against the Fidelity Guarantee Insurance at their own cost, and in such cases the Club may pay them a monthly allowance in addition to their pay, and this addition should be fixed with reference to the responsibility involved.

Other Insurances

197. The Committee finds that in certain States, Employees' State Insurance Scheme is compulsory and monthly contributions are made towards such insurance. The present practice may continue.

Insurance of Trainee Pilots

198. At present, no Club is incurring expenditure, on account of insurance of the trainees for flying risks. The Committee considers that any expenditure on this account should not be a burden on the Clubs and that the trainees should be left to insure themselves, if felt necessary by them. They should, however, sign an indemnity bond absolving the Clubs, from all liabilities on account of damages caused to them during the training.

Record and Scrutiny of Flying Time for Payment of Subvention

199. The Committee noticed that under the existing instructions, the Flying Clubs are required to log the flying time to the nearest minute from "choks off" to "choks on". The flying time is subsequently checked by the Aerodrome Officer who allows a margin of 10 minutes or so for taxiing, where necessary, as the Flying Control logs the timings from the time the aircraft gets airborne to "touch down". It is not considered necessary to effect any change in the existing procedure. However, it is noticed that at places where the aerodrome is not controlled by the Director General of Civil Aviation there is no effective scrutiny of the flying time. As the Committee feels that formation of the Flying Clubs cannot reasonably be expected to be confined only to aerodromes controlled by the Director General of Civil Aviation, Government may consider posting a suitable Civil Aviation Department representatives at places where there is no control primarily for looking after this essential aspect on which is based the extent of financial assistance admissible to a Club.

Commercial Pilots Training at Flying Clubs

200. As stated elsewhere in this report the Flying Clubs in the country were initially imparting training for the issue of Commercial Pilot's 'B' Licence. The flying done by the trainees for this purpose was subsidised by Government. This training at subsidised rates was discontinued from 1954 as a result of Government decision on the recommendations of the Master Committee. The Committee, however, did not propose that any restrictions need be imposed on the Clubs for training Commercial Pilots if the cost of training was borne by the trainees. Subsequently, the Raha Committee in defining the role of training to be allocated to the Flying Clubs, also stated that the Clubs are not fully equipped for giving the necessary training for 'B' Licence and that such training should be given only at the

Civil Aviation Training Centre, Allahabad. This view was accepted by Government.

201. During the course of its visits to the various Flying Clubs, this Committee found that there exists a large volume of opinion in favour of facilities being provided for the training of Commercial Pilots at the Flying Clubs. The Committee was informed by many trainees that acquisition of a Commercial Pilot's Licence by them should be viewed as a specialisation to be obtained by a person in aviation, in the same manner as in any other branch of learning such as Engineering and Medicine, and that the employment potential should not jeopardize the chances of those who may be interested in securing a Commercial Pilot's Licence. It was also brought to the notice of the Committee that extension of this facility at the Clubs would help in producing more pilots, who could usefully be utilised not only by the Air Force but also for developing ancillary flying activities, such as flying by Business Executives, Search and Rescue, Charter flights, Crop Dusting etc. In addition, it will give an impetus to the flying training activities at the Clubs.

202. The Committee is of the view that the Flying Clubs have almost passed the first stage of spreading air-mindedness, by training large number of persons up to the 'A' licence standard, and that a stage has been reached when the people interested in aviation should look forward for facilities for advanced training at the Clubs. It seems desirable and essential to review the position not only for this reason but also in view of the fact that the facilities for training upto the Commercial Pilot's Licence standard will no more be available anywhere as the Civil Aviation Training Centre, Allahabad will be shortly closed. The Committee would, therefore, suggest that in case it is not possible for all the Clubs to be equipped with adequate facilities for the training upto the Commercial Pilots Licence Standard, at least some Clubs should be selected and permitted to impart such training, subject to their acquiring the necessary equipment. The selection could be made on a sort of zonal basis so that the trainees may not have to incur too much expenditure on going to long distances for the training. The training may be made available to selected candidates at any reasonably subsidised rate, with a clear understanding that the Government do not guarantee any employment. The training of persons for such licences will also open a field for the recruitment of suitable men for the posts of Flight Instructors in the various Clubs.

Remunerative activities at Flying Clubs

203. The Committee observes that the present role of the Flying Clubs involves considerable expenditure from the public funds and, therefore, feels that it should not only bring about better results in the larger interests of the State but also that the Clubs should endeavour to ultimately become more and more dependent on their own resources, and less on the assistance from Government. The Committee would suggest that the Flying Clubs may be encouraged initially to undertake some activities with due regard to their training commitments, which may not need acquisition of any additional equipment or any specialised training of the pilots. Such activities could be like giving more joy ride flights to the public on specified days, and the undertaking of carriage of mails to nearby places in consultation with the Posts and Telegraphs Department. The Committee understands that the Posts and Telegraphs Department would be interested in

the carriage of mails by the Flying Clubs through regular flights at reasonable rates so that the mail service to those areas could be improved. This may enable the Clubs to earn a subsidy from the Posts and Telegraphs Department as a regular measure. The pilot members of the Clubs could gain more flying experience by being engaged on such work. Further, the acquisition of a Private Pilot's Licence could be prescribed as an additional qualification for preferential recruitment to services under Government and Private employers and such persons taken on posts in places where a Flying Club is situated, so that their flying experience could be usefully utilised in case of need. Scholarships could also be awarded by Government to deserving Private Pilot's Licence holders for renewal of their licences or for acquiring higher training. Such schemes could provide greater utilisation of the resources of the Clubs and consequently reduce costs. In due course, the Clubs could enlarge their activities by engaging themselves in specialised fields such as crop dusting, spraying, etc.

The Aero Club of India

204. The activities or scope of functions of the Aero Club of India or grant of financial assistance to it by the Government of India are not one of the specific terms of reference to the Committee. It is, however, noticed that it functions as a coordinating and representative body of the Flying and Gliding Clubs in the country and regular subscriptions from the Clubs, which primarily subsist on Government grants, constitute a substantial portion of the revenues of the Aero Club of India. The Committee, therefore, felt it desirable to examine the working of this organisation in the interest of efficient and economic running of the Flying and Gliding Clubs.

205. The Aero Club of India was founded in 1928 and the then existing four Flying Clubs were affiliated to it. The objects of the Club *inter alia* are as follows:—

- (i) to encourage and develop the study of and to provide a Centre of information and advice on, all matters pertaining to aeronautics;
- (ii) to provide an all-India authority on and to organise all competitions, sporting events and trials in connection with aeronautics and to act as the representative of the Federation Aeronautique Internationale;
- (iii) to be the coordinating and representative body of the various Flying Clubs in India.

206. The objects of the Club thus envisage that it should play the same role in the country as the Association of British Aero Clubs and Centres has been playing in the United Kingdom.

207. Practically, all the Flying and Gliding Clubs in the country are its members. The Flying Clubs subscribe to its funds @ 50 nP. per instructional flying hour logged by them. The Committee noticed that the Aero Club of India has been holding annual conferences of Flying and Gliding Clubs for enabling them to discuss matters of mutual interest, organising air rallies in conjunction with Flying Clubs, issuing certificates and badges to Glider Pilots apart from coordinating activities with the Federation Aeronautique Internationale etc. The Aero Club of India has also been finalising the award of free flying scholarships sanctioned by the Government of

India. It has been decided to entrust the Aero Club with the task of issuing Student Pilot's Licences. The Committee understands that although the Club has been in receipt of annual *ad hoc* grants from the Government of India it has not been able to expand its activities because of inadequate finances and personnel. The Committee also noticed that the Flying and Gliding Clubs are almost unanimously of the view that the Aero Club of India should play an active part in acting as their spokesman *vis-a-vis* Government and help in sorting out all difficulties that may arise between the Clubs. The Clubs expect that the Government should give more powers and finances to the Aero Club of India.

208. The Committee appreciates that while Government cannot sanction increased grants unless they can be reasonably assured of its proper utilisation the Aero Club of India cannot play a more useful role in the best interest of the Flying and Gliding Club movement in the country without adequate finances. It has, therefore, endeavoured to give some thought to this matter and feels that the Aero Club of India should be adequately financed to exercise certain specific functions and the position reviewed after watching the progress for one or two years. Some of such functions of the Aero Club of India which the Committee has in view are as under:—

- (i) it should start a Journal (monthly) giving the activities of the Clubs during the previous month such as good performance, achievements, accidents etc., etc.;
- (ii) it should institute a medal or shield or Cup for the Club which shows good performance *i.e.*, results of training, economy in costs, safety measures etc.;
- (iii) it should consolidate the views of Clubs on all important matters concerning training, finances etc., and approach the Director General of Civil Aviation on behalf of the Clubs. The Clubs should be required not to take up such matters direct with the Director General of Civil Aviation;
- (iv) prepare Hand books for use of trainee Pilots at the Clubs;
- (v) ensure, as far as possible, uniformity in standards at the Clubs;
- (vi) function as a sort of employment exchange for unemployed Pilots, Engineers and other technical personnel;
- (vii) function as a channel for exchange of information between Clubs;
- (viii) obtain and distribute books of reference to the Clubs;
- (ix) consolidate the requirements of spare parts of the Clubs and negotiate for their prompt supply at cheap rates;
- (x) consider ways and means of obtaining competitive rates, on behalf of the Clubs for insurance of aircraft and Instructors under a pool arrangement.

209. The Committee hopes that if the activities of the Aero Club of India are expanded on the above lines it would play a better role for the benefit of the Flying and Gliding Clubs and an increase in the extent of grant to the Aero Club of India from the Government of India would be justified. The Committee feels that every Flying and Gliding Club should become a member of the Aero Club of India and Pay their subscriptions

regularly. This item of expenditure has been taken into account by the Committee in working out the Subsidy Scheme.

Air Rallies

210. The Committee noticed that air rallies were held in the past. They were held at intervals and the expenditure incurred thereon was not uniform. Funds for such rallies were raised by the Clubs and partly met from the Irwin Fund controlled by the Aero Club of India and from financial assistance from the State Governments. The Government of India also sanctioned *ad hoc* grants to the organising Clubs for the purpose. The Committee finds that the Clubs which had organised air rallies in the recent past accumulated sizeable deficits on this account. As periodical organisation of air rallies seems to be desirable in the interest of development of airmindedness in the country and to infuse a competitive spirit amongst the competitors, the Committee feels that the scheme of rallies for powered flying and gliding should be so made out that it does not become an uneconomic activity. The Committee, however, appreciates that it cannot be organised without financial assistance from Government. The Committee notes that in the last air rally the flying hours done by the participants were allowed at subsidised rates and as extra to the limits of subsidised flying admissible to them. The Committee hopes that Government would continue to extend this concession at similar rallies in future also.

Development of Airmindedness Aeromodelling

211. The question as to how to promote the development of airmindedness amongst the youth of the country through the various Media is not one of specific terms of reference to the Committee. However, as this aspect has an indirect bearing on the development of the activities at the Flying and Gliding Clubs the Committee felt it necessary to make some observations.

212. The Committee finds that the Government had accepted the recommendations contained in paragraph 308 of the Master Committee report which *inter alia* suggested that spreading of airmindedness should form part of the educational policy of the country and that facilities should be provided for organising training in aeromodelling. It appears that there is still much to be done for implementing the Government decision in the matter. The Committee would suggest that appropriate steps may be taken in this direction as in the ultimate analysis spreading of airmindedness through such basic Media will generate aptitude and bring in suitable human material for training at Gliding and Flying Clubs which is necessary for ensuring continuity of activities at the Clubs and economics of their operation. With this end in view and because Government have been granting financial assistance to the All India Aeromodellers' Association, Calcutta, the Committee proposed to look into the subject of aeromodelling. The Committee finds that the various Flying and Gliding Clubs are almost unanimous in the view that aeromodelling which enables one to learn the fundamentals of flying and aircraft design should be encouraged as a sport. The Clubs expect Government to financially help in the organisation of this sport at the existing Flying and Gliding Clubs or by independent units.

213. The Committee understands that training in aeromodelling is being imparted to the cadets of the National Cadet Corps (Air Wing) at the various units all over the country. The Civil aeromodelling activity is, however,

primarily concentrated at Calcutta and conducted by the All India Aeromodellers' Association. The Association has nearly 60 active members and there are about 4,000 aeromodellers in the country. It is suggested that aeromodelling may be introduced in schools and colleges as an item of sport, and grants provided both by the Central and State Governments. Such other organisations which may be in a position to do so may also be encouraged. The Committee, however, appreciates that it is an expensive sport as substantial material has to be imported from abroad. It may be desirable to examine also the possibility of indigenous manufacture of aeromodelling kits.



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CHAPTER XI

GLIDING CLUBS

214. The important role of Gliding as a means of spreading airmindedness in the youth of the country and as a first step to training of pilots in powered Flying is widely recognised. Glider training was started in the country in 1931 with the formation of the Indian Gliding Association in Bombay. The Association opened a Gliding Centre in Poona. It was run as a private enterprise and was initially not in receipt of any financial assistance from Government. The Association, however, received grants from the Government of India from 1948. Subsequently in 1950 the Delhi Gliding Club was established and received financial assistance from Government on an *ad-hoc* basis till the year 1959 when it was brought under a new subsidy scheme.

Consideration by Master Committee and its Recommendations.

215. Role of gliding in encouraging airmindedness in the youth of the country was one of the specific terms of reference to the Master Committee. That Committee recommended that the Central and State Governments should develop gliding activities in the country through private Clubs and share the recurring expenditure in running such Clubs, the Capital expenditure being met by the Central Government. That Committee further suggested that gliding Clubs should be started under the auspices of Universities and colleges and students should be given free glider training. The Master Committee estimated the Capital and recurring expenditure of such a club as Rs. 2.25 lakhs and Rs. 70,000 per annum respectively.

Decision of Government and Five Year Plans

216. Government worked out a scheme for fostering gliding. As a part of the scheme the Gliding Centre at Poona was taken over by Government of India in 1954 and it continues to be run as a Departmental Centre under the Director General of Civil Aviation. Two more similar centres, one at Bangalore and the other at Allahabad, were established in 1956. The Second Five Year Plan envisaged the opening of 10 more Gliding Centres but the progress of establishing new Centres was retarded due primarily to non-availability of equipment on account of foreign exchange difficulties. The Government also took active steps to develop essential items of Gliding Equipment within the country. The Technical Centre of the Civil Aviation Department developed single and twin seater gliders and a few manufacturers undertook the production of both these types of gliders. Proto-type winches have also been produced by the Civil Aviation Department and it is hoped that it would be possible to produce the winches within the country on a commercial basis. In order to further develop gliding activities in the country, Government introduced a scheme of subsidy in 1959 for the gliding clubs or for the gliding wings which may be organised by the Flying Clubs. A copy of the scheme is appended to the report (Appendix XIV). The Birla Gliding Club, Pilani run by the Birla Education Trust since 19th January, 1959 was included in the subsidy scheme from 1st October, 1959. The Rajasthan Flying Club, Jaipur and the Banasthali Vidyapith were also permitted to organise gliding training facilities. They had to suspend their activities soon after starting for one reason or the other. The Northern

India Flying Club have recently started glider training. The Third Five Year Plan provides for opening of 10 more gliding centres and 25 gliding wings attached to the Flying Clubs. Government have also procured and provided for the purchase of gliders and winches for use at such Centres and Clubs. The Committee understands that it has been decided to organise gliding facilities at 5 or 6 more places but the proposals have not so far materialised because of lack of adequate equipment or personnel.

Scope of Terms of Reference to this Committee

217. The Committee is required to review the working of the existing scheme of subsidy for gliding clubs, to work out the standard cost of their operation and to recommend modification of the existing subsidy scheme, if necessary. The Committee finds that at present only two Clubs are being subsidised under the scheme viz. the Delhi Gliding Club from 1st April, 1959 and the Birla Gliding Club from 1st October, 1959. It has looked into the various aspects of gliding particularly those relating to the economic operation of Gliding Clubs which primarily subsist on grants from Government. These matters have been discussed in succeeding paragraphs of this report and recommendations made where necessary.

Pattern of Training

218. Gliding is essentially sport flying. Various certificates and badges have been prescribed by the Federation Aeronautique Internationale to be awarded to those pilots who achieve a specified efficiency. However, no particular yard-stick can reasonably be laid down for categorising the glider pilots as could be done in the case of power-flying viz. Private Pilots or Commercial Pilots.

Proficiency in gliding is a continuing process and the efficiency of a Club or the potential of training at the place can appropriately be judged by the number of certificates etc. obtained by its members and the number of launches performed which is the main measure of determining the activities of gliding at a Club. The number of launches performed and the number of various certificates and badges obtained by the pilots at the various Gliding Clubs and Centres are given in statement No. 13. It will be observed that the number of launches performed has been increasing steadily and so also the number of pilots obtaining various certificates and badges.

Syllabus for Training

219. The Committee noticed that the Indian Aircraft Rules have recently been modified to provide for the issue of Glider Pilot's Licence. This will result in the training being imparted in a more systematic manner with due emphasis on ground training.

Strength of Instructors and Winch Operators

220. The Committee noticed that some Gliding Instructors had been trained at the Gliding Centre, Poona. Some Winch Operators had also been trained at the Government Gliding Centres at Poona, Bangalore and Allahabad. The Committee also understood that some additional people had been approved as Instructors and Winch Operators without undergoing any regular course of training. Under the Indian Aircraft Rules, as modified recently, the Gliding Instructors will be required to obtain a Flight Instructors' Rating (Glider) after satisfying the prescribed conditions. It is hoped that all those interested in becoming Gliding Instructors and Winch Operators will be provided adequate facilities for receiving training as establishment of new

Gliding Clubs and augmentation of the strength at existing Gliding Clubs and Centres is largely dependent on the availability of such staff. Planning in this regard is considered essential for avoiding the situation as now prevailing in Flying Clubs.

Gliders and Other Equipment

221. Under the existing scheme of subsidy to Gliding Clubs, gliders and winches are loaned to the Clubs by Government. The Clubs are, however, expected to arrange for funds for the purchase of a Jeep and other gliding equipment and workshop tools. The Committee understands that such of the existing Flying Clubs and others who are keen to organise gliding training are finding it difficult to raise funds to the tune of about Rs. 20 to 25 thousand for incurring this initial expenditure and this is one of the principal causes for the slow progress in the establishment of new Gliding Clubs or Wings. The Committee would, therefore, recommend that the Government may sanction an outright grant for the purchase of a Jeep by such of the Clubs which are not in a position to acquire it from their own funds or through other resources. As for gliders, if the Clubs are expected to be dependent only on those which may be loaned by Government, adequate planning would be necessary to ensure that the training activities at a Club are not hampered for want of gliders. The minimum number of twin seater and single seater gliders which should be available at the various categories of Gliding Clubs has been indicated elsewhere in this report. The Committee understands that sail planes for advanced soaring are also essential at places where the pilots have reached an appropriate stage of proficiency in gliding. The Committee hopes that Government would give due consideration to this problem and take necessary steps so that the Clubs could possess such gliders as and when necessary.

Cables

222. The Cable is the most important item of equipment of consumable nature in the working of a Gliding Club. It is noticed that this essential item of equipment is not being manufactured in the country and as long as this is not possible the Clubs have to be run on imported cables. The Committee understands that the cables could be procured from local dealers at an exorbitant price of about Rs. 1,200 or Rs. 1,300 whereas they would cost only about Rs. 600 if imported directly by the user. The Committee finds that the Clubs have been encouraged to procure the cables direct after obtaining a users' licence but in actual practice this has not yielded fruitful results because of the element of delay inherent in the procedure and non-availability of funds with the Clubs for the purpose. The Committee, therefore, feels that Government may obtain an estimate of the annual requirements of cables of all the Clubs including those of their own Centres and procure cables in bulk. The cost of the cables supplied to the Clubs may be deducted from the subsidies payable to them, as otherwise the Clubs would continue to be compelled to incur avoidable extra-expenditure out of Government grants for the purchase of cables at exorbitant rates from the local dealers.

Organisation of Gliding Clubs

223. The Delhi Gliding Club is registered under the Societies Registration Act and is run by honorary office-bearers. The Birla Gliding Club is registered under the Rajasthan Societies Act in which the Chief Instructor

is also the Secretary of the Club. The Committee feels that some measure of flexibility will need to be allowed in the case of Gliding Clubs which may be organised by Educational Institutions; otherwise the Gliding Clubs should conform to the same pattern as the Flying Clubs as discussed elsewhere in this report.

Administration and Establishment of Gliding Clubs.

224. The Committee noticed that the day to day activities and administration of the Delhi Gliding Club is run largely by honorary Instructors and workers. They have, therefore, a lesser number of employees on their Pay roll. At the Birla Gliding Club some facilities for administration of the Club are provided by the Birla Education Trust. This Club too thus has a lesser establishment on their Pay rolls. These Clubs, therefore, work in special circumstances obtaining at each place and the existing strength of their staff does not provide a measure for determining the ideal strength of staff at a Gliding Club. The Committee has examined the matter and attempted to determine the strength of various categories of staff for the Gliding Clubs according to their performance. It has also suggested the scales of pay and allowances, Provident Fund contributions and amount of insurance of Instructors. It is of the view that these matters need to be standardised for the Gliding Clubs on the same basis as in the case of Flying Clubs.

Sources of Revenue

225. The revenues of the Gliding Clubs largely consist of Government assistance. The other sources of revenue, though of a lesser degree, are the joy rides and subscriptions, including the fee per launch. The Clubs are not presently getting any financial assistance from the State Governments. During the course of its visits to the various places the Committee came to understand that several new Gliding Clubs are likely to be started. Government have accepted in principle the establishment of Gliding Clubs/Wings at Calcutta, Ahmedabad, Raipur, Madras, Trivandrum, Hyderabad, Nagpur, Indore and Bhopal in addition to those already existing. In the Punjab, there is a scheme for starting of seven Gliding Clubs with the assistance of the State Government. The Hind Provincial Flying Club are also considering opening of Gliding Wings in certain places in Uttar Pradesh. The Committee could not get an exact view of the extent of help which the State Governments may render, if these Gliding Clubs are started. It is not, therefore, possible to work out exactly the financial commitment of the State Governments in respect of any new Clubs that may be started in future. The Committee is, however, in agreement with the views of the Master Committee that the recurring cost of running the Gliding Clubs should be shared by the Central and the respective State Governments.

Existing Financial Position of the Gliding Clubs

226. The Delhi Gliding Club is being subsidised under the existing Subsidy Scheme from April, 1959 and the Birla Gliding Club from 1st October, 1959. As stated in para 224 above, these Clubs are working under varying conditions. The Committee noticed that despite economy in expenditure on establishment, the Clubs have not been able to balance their expenditure against the subsidies sanctioned under the existing Scheme, and are incurring losses. The Clubs, therefore, need augmentation of their resources which can come partly by way of Government assistance and partly through more joy rides and social activity, subscriptions and launching fees.

The Committee, however, feels that there is lesser scope for the Gliding Clubs to increase their revenue from the various activities referred to above and they would continue to subsist primarily on Government assistance.

Launching Fees

227. Both at the Gliding Clubs and the Departmental Centres, the launching fee is uniformly recovered @ Re. 1 per launch irrespective of the duration of a flight. Similarly joy riding fee is also Re. 1 per launch. The Committee feels that the existing rates may continue; however, it may be desirable to consider recovery of a higher charge per launch in case the glider remains in the air for a considerably long duration with a view to cover the expenses involved in the wear and tear of the glider by such usage.

Standard Cost of Operation of a Gliding Club

228. After giving due consideration to the various factors mentioned in the preceding paragraphs, the Committee has worked out the standard cost of Gliding Clubs which will be able to perform 1,500 to 6,000 launches with necessary equipment and staff. The data on which the standard cost has been worked out is given below :—

1. A minimum of 750 launches per glider in the total fleet has been taken.
2. The minimum number of gliders required in the various clubs has been taken as :—

<i>No. of launches</i>	<i>No. of gliders</i>
1,500 to 3,000	3 gliders.
3,000 to 4,500	5 gliders.
4,500 to 6,000	7 gliders.

3. The standard strength adopted for the staff in all the grades (Gliding, Engineering and Administration) and the scales of pay for each category are given in Appendix XV. The average cost of these scales plus normal allowances has been taken into account in working out the standard cost of operation.
4. The cost of petrol and oil for a Winch has been taken as 40 nP per launch based on 10 launches per gallon and that for a Jeep at 60 nP per launch based on running of 14 miles per gallon.
5. The cost of maintenance of a glider has been taken as Re. 1 per launch and the cost of maintenance of Jeep and Winch as 60 nP per launch.
6. Cost of cables has been worked out taking the average price at Rs. 900 per cable of 1,200 meters and 400 launches per cable.
7. Insurance of glider has been taken at Rs. 1.35 per launch based on the present rate of insurance which is 10 per cent to 15 per cent per annum of the total cost of the gliders.
8. Insurance of gliding Instructors has been taken as Rs. 150 per annum for a Gliding Instructor and Rs. 200 for a Chief Gliding Instructor.

9. Provision of Accident Reserve Fund and Provident Fund has been made at 20 nP. per launch and 6½ per cent of the cost of the establishment respectively. These do not exist at present but are felt as inevitable for any Club.
10. Other expenses have been taken as 10 per cent of the total cost of establishment.

229. Statement No. 14 attached to this report shows the working of the standard cost in respect of Clubs which would be in a position to perform 1,500 to 6,000 launches. The direct fixed cost of operation of each Club works out to Rs. 5.10 per launch. The Committee is of opinion that the expenditure of the Gliding Clubs should in no case exceed the standard cost as worked out. However, in working out the cost, the Committee has not taken into account the possibility of any Club having Honorary Instructors instead of paid Instructors.

Scheme of Subsidy for Gliding Clubs.

230. Under the existing Scheme, a fixed subsidy of Rs. 15,000 is paid to the Club whether running independently or as a Wing of a Flying Club in addition to a subvention on Rs. 3 per launch for instructional gliding as well as joy rides. The rate of fee charged for training in gliding is at present Re. 1 per launch and the same rate is also applied for joy rides. With reference to the increased cost of operation of a Gliding Club, as worked out now, the Committee considered whether this particular rate for training and for joy rides should not be increased. Both the Clubs and the Gliding Centres visited by this Committee expressed their opinion that this rate is the only reasonable one to attract pupils for training in gliding and for encouraging joy rides, under the existing conditions. The Committee is also of the opinion that the same rates should continue for some time in future. An increased rate of subsidy and subvention is, therefore, inevitable in any future Scheme of financial assistance to the Gliding Clubs on account of increased cost. Both the Gliding Clubs at Delhi and Pilani had represented to the Committee that their cost of operation had increased very much and the existing scale of subsidy and subvention should be raised. The Delhi Gliding Club had also represented that their income per launch by way of subsidy and subvention would not be proportionately increasing with the performance or more launches. On a consideration of these factors and taking into account the minimum expenditure which a Gliding Club will be put to according to the standard scale fixed by the Committee, the revised rate of subsidy and subvention recommended are as follows :—

Fixed Subsidy.

	Rs.
(a) Clubs performing 1,500 to 3,000 launches ..	20,000
(b) Clubs performing 3,000 to 4,500 launches ..	25,000
(c) Clubs performing 4,500 to 6,000 launches ..	30,000

Subvention

A flat rate of Rs. 6 per launch (including joy rides).

It will be seen from the Statement showing the standard cost of a Gliding Club that account has been taken of the contributions to the Accident

Reserve Fund and the provision of a Provident Fund for the members on the establishment of a Club. The graph attached to the Statement shows the variation between standard expenditure for various launches, based on the Standard Cost, and the income of the Clubs from subsidies and subventions both under the old and the new schemes.

231. The extra cost to Government under the new scheme, calculated on the number of launches performed at Delhi and Pilani Gliding Clubs during 1961-62, is shown below :—

A. Existing scheme.

	Rs.
Subvention for 6,542 launches @ Rs. 3 per launch ..	19,626.00
Subsidy to 2 Clubs @ Rs. 15,000 each ..	30,000.00
TOTAL	49,626.00

B. Proposed scheme.

	Rs.
Subvention on 6,542 launches @ Rs. 6 per launch ..	39,252.00
Subsidy to 2 Clubs—one performing less than 3,000 launches ..	20,000.00
One performing less than 4,500 launches ..	25,000.00
TOTAL	84,252.00

Therefore, the extra expenditure will be Rs. 34,626.00 or say Rs. 35,000 per annum.

232. The Committee has worked out the above Scheme on the basis that the gliders and winches will be loaned by Government. In case it is proposed that the Gliding Clubs may in course of time be in a position to own their own gliders, it would be necessary to give them additional funds to contribute to a reserve fund. If an extra subvention of Rs. 3 per launch is given to each of the Clubs they would be in a position to build up a fund for the purchase of gliders at the end of about ten years. This rate has been arrived at after taking into account the annual depreciation of the gliders, the jeep, the winch, the trailers etc. at 10 per cent of the cost and the average number of launches that can be performed in the three stages, namely, 1,500—3,000 launches, 3,000—4,500 launches and 4,500—6,000 launches.

Subsidy for Gliding Wings to be Organised by Flying Clubs

233. The Committee recommends that the scheme of subsidy as mentioned in paragraph 230 above may equally be applied to the gliding wings which may be organised by the Flying Clubs. The Committee appreciates that a gliding wing attached to a Flying Club can perhaps run slightly more economically than an independent Club if the services of the Aircraft Maintenance Engineer and some of the office staff of the Flying Club can be utilised for gliding work on a part-time basis. This arrangement can only be implemented where the Flying Club has a sufficiently large establishment and can conveniently spare such staff on account of less work-load for part-

time work in gliding. The Committee, however, feels that in actual practice there may be considerable difficulties in enforcing any rigid arrangement of this nature and gliding activities may unnecessarily suffer because of lack of proper attention by those primarily engaged on work connected with powered flying. The staff provided for a Gliding Club has also been kept at the minimum in working out the cost of operation. The Committee, therefore, recommends that in granting subsidies no distinction need be made for the present, between a Gliding Club run independently or as a wing of the Flying Club. The position can, however, be reviewed after actual experience has been gained in the working of these two types of Clubs, say for a period of one or two years under the proposed subsidy scheme.

Conditions for starting a new Gliding Club under the subsidy scheme

234. The Committee noticed that under the existing subsidy scheme a Gliding Club is expected to enlist a minimum of 100 subscribing members before it could be considered for loan of equipment and admission to the scheme and to perform a minimum of 1,500 launches per year. It appears that it is rather difficult for a new Club to enlist 100 members initially. The Committee is, therefore, of the view that the figure of membership for this purpose may be reduced to 50. However, for the minimum performance the Government may give due consideration to the circumstances of a Club, before arriving at a decision to withhold payment of subsidies to an affected Club.

Accounting Instructions and other matters

235. The Committee recommends that the Accounting Instructions prescribed for Flying Clubs should also be equally applicable to the Gliding Clubs. Separate accounts should be kept for a gliding wing attached to a Flying Club. Similarly all the recommendations of this Committee for the efficient and economic running of the Flying Clubs, their administration and supervision by Government may be deemed to be equally applicable in the case of Gliding Clubs as far as may be relevant.

Gliding by NCC Cadets

236. The Committee finds that for the training of National Cadet Corps Cadets, the National Cadet Corps Directorate are maintaining a separate gliding establishment at practically all the places where civil gliding facilities already exist. Although this matter is not included in the terms of reference, the Committee is of the view that it would be economical and expedient to develop gliding activities in the country by coordinating the activities of the Civil and National Cadet Corps Gliding Schemes.

General

237. On the basis of the visits to the various places and seeing the working of the Flying and Gliding Clubs, the Committee has a feeling that both powered flying and gliding activities cannot flourish to their full stature if allowed to be organised at the same site. The Committee would, therefore, suggest that as far as possible the Gliding Clubs should be organised at separate sites preferably near centres of education. It is noticed that there are many air strips or other suitable sites in the country where there is not much of interference of air traffic. Possibility of starting new Gliding Clubs at such places can usefully be considered in consultation with the State Governments and the University authorities.

CHAPTER XII

SUMMARY OF RECOMMENDATIONS

Control over Expenditure

238. Action should be taken for preparation of detailed estimates of all expenditure including expenditure on spares and stores required for the following year. Purchase should be made according to need. (Paragraph No. 54.)

Trainer Aircraft for ab-initio Training

239. Government should keep a reserve of spinnable aircraft for supply to Clubs. If training aircraft and equipment in the Clubs is standardised and made uniform there would be considerable saving in the annual recurring expenditure. (Paragraph No. 62.)

Aircraft for Advanced Flying

240. Government should take appropriate steps in order that the Clubs could be equipped with one or two aircraft with R/T equipment suitable for night flying and long distance cross-country flying. (Paragraph No. 64.)

Disposal of Aircraft in excess of requirement

241. The Clubs which are unable to make justifiable use of their full fleet should store their surplus aircraft without incurring any expenditure on their maintenance and annual overhaul. They should be brought into use only if and when flying potential is increased. Such Clubs may also consider selling surplus aircraft to other Clubs in need. (Paragraph No. 66.)

Utilisation of Aircraft

242. Minimum utilisation should be fixed at 500 hours per year per airworthy aircraft. It should be possible for a Club to have 75 per cent of its working fleet in a serviceable condition and to achieve 500 hours per annum on each of such aircraft. (Paragraph No. 68.)

Strength of Staff

243. The Committee has fixed the standard strength of various categories of staff in the different classes of Clubs. Clubs should try to conform gradually to the standard strength and economise their expenditure. (Paragraph No. 71.)

Pay scales of Technical and Other Staff

244. Standard rates of pay and allowances should be fixed for all staff. No further additions to pay such as conveyance allowance or bonus are necessary once proper scales of pay and allowances have been fixed. Scales of pay and allowances of subordinate Engineering staff and staff connected with the administration of the Clubs should as far as possible not exceed the scales of pay and allowances laid down by the State Government under similar conditions. The standard scales of pay as recommended by the Committee take into account the past recommendations made by the Aero Club of India. The Clubs should in the coming years be in a position to fix

the pay of their staff on the standard scales recommended by the Committee. (Paragraphs No. 73 & 74.)

Cadre of Chief Pilot Instructors and Chief Engineers

245. For the enforcement of standard scales of pay and for effecting a better administrative control and the systematic training of pilots, the Committee recommends that the Chief Pilot Instructors and Chief Engineers working with the Clubs should be borne on two separate cadres under the administrative control of the Director General of Civil Aviation. They will be treated as Government servants on loan to Clubs. The cadres may contain their own leave reserve and promotions to them regulated by the Director General of Civil Aviation from the junior Instructors and Engineers working in the Clubs. A scheme of Contributory Provident Fund and grant of retirement gratuities may also be instituted. (Paragraph No. 76.)

Service Conditions of the Staff.

246. Rules and regulations regarding conditions of appointment, promotion, leave, scales of pay, grant of increment, conduct, discipline, right of appeal against punishment, etc. should be laid down by the management of the Clubs preferably on a uniform basis. (Paragraphs No. 77 & 78.)

247. Contributory Provident Fund should be instituted in all the Clubs. Rate of interest which the amounts in the Provident Fund should carry should be laid down and annual accounts given to each member of the staff. The Fund should be administered either by the Provident Fund Commissioner or by an independent Trust consisting of representatives of employees and the employer. The Amount should be invested in Securities on the advice of the Provident Fund Commissioner. (Paragraphs No. 79 & 130.)

248. Uniform rules should be made by the Clubs for grant of advances to the employees. (Paragraph No. 80.)

249. Pay and allowances of the staff should be disbursed promptly. Managing Committee of each Club should review its financial position frequently to avoid delays in payment. (Paragraph No. 81.)

Insurance of Pilot Instructors

250. The Pilot Instructors should be covered by Personal Accident (Aviation Risks) insurance only. The amount of insurance for the various categories of Instructors as recommended by the Committee are :—

	Rs.
Confirmed Chief Pilot Instructor	35,000
Officiating Chief Pilot Instructor	30,000
Pilot Instructor holding independent charge	25,000
Pilot Instructor working under Chief Pilot Instructor	20,000
Assistant Pilot Instructor	15,000

Concessional rates of premia may be obtained from Aviation Insurance in case the insurance policies of all the Club Instructors are taken with them. There is no objection to a Flying Club paying an amount towards extra premium on the Life Policy of an Instructor in lieu of Accident Insurance provided the Instructor indemnifies the Club against all accident risks and

the amount paid by the Club does not exceed the premium payable in respect of the Accident Insurance for the Instructor. (Paragraph No. 86.)

251. It is not necessary for a Club to pay for insurance against loss of licence in addition to Accident Insurance. (Paragraph No. 88.)

252. Honorary Instructors at the Clubs may be insured for accident risks if they enter into agreement to serve the Club for the period for which the insurance is effected. (Paragraph No. 89.)

Performance of Pilot Instructors

253. A Chief Pilot Instructor should be able to do a minimum of 400 hours of annual instructional flying and other Pilot Instructors and Assistant Pilot Instructors should do a minimum of 500 hours in a year in addition to imparting ground instructions to the trainees. (Paragraph 91.)

Scheme of Subsidy and Subvention to Flying Clubs

254. The most rational way of determining the method which should govern the grant of subsidies and subvention should be based on the estimated expenditure of the Clubs under standard conditions. On this basis the scheme of subsidy recommended by the Committee for 4 classes of Clubs is :

	Rs.
Class IV Below 1600 hours of instructional flying	50,000
Class III Below 2400 hours of instructional flying	75,000
Class II Below 3200 hours of instructional flying	1,00,000
Class I Below 4000 hours of instructional flying	1,20,000

Clubs doing more than 4000 hours will get a subsidy of Rs. 1,30,000. All the Clubs will get subvention at a uniform rate of Rs. 50 per hour of instructional flying. For flying hours done by the HT-2 aircraft an extra subvention of Rs. 20 per hour may be given. The subsidy includes a bonus of Rs. 400 for each Private Pilot's Licence trained at a Club. The Club would also get in addition Rs. 150 for each trainee who obtains a Private Pilot's Licence in the year. This amount is to be disbursed to the trainee. (Paragraphs No. 100—105.)

255. The bonus of Rs. 400 may be distributed to the Instructional and Engineering staff. The Committee discourages any further payments by the Clubs to their Instructors and other staff in the shape of bonus over and above the grant of Rs. 400 for each Private Pilot's Licence trained. (Paragraph No. 106.)

Subsidy Scheme for Satellite Centres

256. A Satellite Centre should be expected to do a minimum of 500 hours of instructional flying per year and paid a fixed subsidy of Rs. 25,000 per annum and a subvention @ Rs. 50 per hour flown. A Satellite Centre achieving a minimum of 1200 hours may be treated as a full fledged Club and subsidised under the main scheme. (Paragraph No. 108.)

Accident Reserve Fund

257. The present minimum in the Accident Reserve Fund of Rs. 6,000 per aircraft or Rs. 30,000 whichever is greater for dispensing with insurance of aircraft should be raised to Rs. 10,000 per aircraft or Rs. 50,000 whichever is greater. The contribution to the Accident Reserve Fund should be at the same rates as at present. Clubs should cover their fleet with the Accident Reserve Fund when the amount in the Fund reaches the above limits. The maximum amount in the Accident Reserve Fund should be the total value of the aircraft in the Club. Excess amount over this maximum may be permitted by the Director General of Civil Aviation to be transferred to Replacement Reserve Fund, if required. Withdrawals from the Accident Reserve Fund may also be permitted to be made for replacing major components when the expenditure is large. Insurance against ground risk is not necessary when the fleet is covered by the Accident Reserve Fund but a Club can, at its discretion, take such a cover provided it is dispensed with when the amount in the Accident Reserve Fund has reached the maximum limit. (Paragraphs No. 115—117.)

Replacement Reserve Fund

258. Contributions to this Fund should be made regularly at the prescribed rates both for Club owned aircraft and Government loaned aircraft. (Paragraphs No. 121-122.)

Accounting Instructions

259. Separate Income & Expenditure accounts should be prepared in respect of the Flying and Social activities of the Clubs. A separate account, in addition to the annual published accounts, should also be prepared to show the direct and indirect expenditure incurred on the maintenance of State Government aircraft and for services rendered. (Paragraph No. 133.)

260. Clubs should prepare annually estimates of their Income & Expenditure in the form prescribed. They should also prepare monthly statement of expenditure for the last 5 months of the year and send them to the Director General of Civil Aviation. No Capital expenditure beyond a reasonable limit say Rs. 2,000 should be incurred without the approval of the Director General of Civil Aviation. (Paragraph No. 139.)

Social Activities

261. Social activities are recognised as necessary at each Club. Common items of receipts and expenditure of the Club should be allocated between the Flying side and the Social side on an equitable basis as recommended by the Committee in order that the Flying side accounts may present a true picture. (Paragraphs No. 147-148.)

262. Clubs which do not have any Social activities at present may be permitted to fund the portion of the receipts into a Fund (Social Amenity Fund) to be utilised later. (Paragraph No. 149.)

Procedure for the Accounting of Stores

263. The procedure recommended in Appendix X may be followed in all the Clubs as a defective procedure was noticed in certain Clubs. (Paragraph No. 150.)

Management

264. The management of the Clubs should be tightened up so far as flying activities are concerned. Managing Committee should ensure that the programme of training for the pupils is adhered to. (Paragraph No. 152.)

265. No trainee should be allowed to continue as a member without voting right for more than 3 months if he has obtained a Private Pilot's Licence. (Paragraph No. 153.)

266. The provision that the Managing Committee or the Board of Directors shall consist of 1/3rd active flying members should be made mandatory. Government may, however, grant exemption in specific cases. (Paragraph No. 154.)

267. The Honorary Secretary of a Club should be assisted by a full time assistant to supervise the day to day working of the Club and to bring to the notice of the Managing Committee all matters connected with management, discipline, training, etc. The Chief Pilot Instructor or any other member of the staff should not be on the Managing Committee. (Paragraph No. 155.)

268. A senior Officer of the Civil Aviation Department assisted by an accounts staff should be periodically deputed to inspect the records of the Clubs to ensure that the training is properly imparted and the initial accounts are properly kept. This unit will also look into the difficulties which the Clubs may have in their day to day working. (Paragraph No. 160.)

Concession to Office Bearers

269. The expenditure on the grant of concession to the office bearers and staff should be economised and regulated on a uniform basis. (Paragraph No. 162.)

Extravagant Expenditure

270. The Clubs should economise expenditure on all items particularly on motor transport, telephones and non-revenue flying. (Paragraph No. 163.)

Purchase of Spare Parts

271. The Clubs should take steps to regulate their expenditure on stores to prevent large accumulations. (Paragraph No. 165.)

Workshop Facilities

272. Facilities for overhaul of engines should be concentrated at selected Clubs in such a manner that other Clubs can avail of the facilities at reasonable cost. (Paragraph No. 167.)

273. To economise expenditure on Certificate of Airworthiness of aircraft, it is suggested that it may be carried out on completion of prescribed number of hours of flying instead of annually. The Committee presumes that the Director General of Civil Aviation will issue instructions in the matter. (Paragraph No. 169.)

Scheme of Scholarships

274. Aptitude of trainees selected for the grant of scholarships should be tested and those who are well grounded in science or other subjects should

be preferred. Scholarships are to be awarded only to deserving pupils irrespective of the consideration of their parental income subject to usual reservation for Scheduled Castes and Scheduled Tribes candidates. (Paragraph No. 173.)

275. Policy of the grant of scholarships by certain State Governments for advanced training should be reviewed. (Paragraph No. 175.)

276. Scholars whose parent's or guardian's income is less than Rs. 300 per month may be given a sum of Rs. 200 in suitable instalments to meet their out of pocket expenses. (Paragraph No. 176.)

277. Scholars and/or their guardians should sign an undertaking to refund the cost of scholarship in case the trainee discontinues his training before its completion. (Paragraph No. 177.)

278. Written examination for the issue of a Private Pilot's Licence may be on the American Quiz system to test the knowledge of the trainees and they may be held as frequently as possible, if not once in a month. (Paragraph No. 178.)

279. The number of subsidised hours of scholarships should be raised from 40 to at least 75 hours with reference to the new Licensing Rules. State Governments should also be informed. (Paragraph No. 179.)

Training of Instructors

280. Immediate steps should be taken to train sufficient number of Instructors and to evolve a machinery to subject the existing Instructors to appropriate check. Training should be on voluntary basis and trained personnel expected to find jobs on their own. (Paragraph No. 184.)

Charges for Flying Training

281. All persons upto 37 years of age may be allowed subsidised flying @ Rs. 10 per hour upto the number of hours fixed per annum. Those above the age of 37, should be required to pay Rs. 25 per hour. Lt. Col. G. V. Raja, a member of the Committee, however, considers that the rate should uniformly be Rs. 10 per hour irrespective of age. (Paragraph No. 187.)

282. The non-subsidised rate may be fixed at Rs. 60 per hour and the "full rate" at the standard cost of operation of the Club according to its classification (Paragraph No. 188.)

283. Actual extra expenditure incurred on night and cross-country flying by a member of the Club (other than an *ab-initio* trainee) may be recovered from him by the Club. (Paragraph No. 189.)

284. Flying charges for foreign nationals should be the same as for Indian nationals. (Paragraph No. 192.)

Joy Rides and Charter Flights

285. Joy rides help in spreading airmindedness. Rates recommended are Rs. 5 and Rs. 10 per flights of 5 and 10 minutes duration respectively. Rates for charter flights may be fixed by the Director General of Civil Aviation with reference to the standard cost of operation of each Club. (Paragraph No. 193.)

Insurance of Engineering and other Technical Staff

286. The Chief Engineer or the Aircraft Maintenance Engineer who may be required to fly on test flights may be insured at Club expense for Rs. 15,000 or Rs. 10,000 respectively, for a maximum of say 25 hours. Insurance of any other staff is not necessary. (Paragraphs No. 194—196.)

287. Expenditure on insurance of trainee pilots should not be a burden on the Clubs. The trainees could, however, do so at their own expense. (Paragraph No. 198.)

Clubs at Uncontrolled Landing Grounds

288. Suitable Civil Aviation Department representative should be posted at such places primarily to check the flying records on the basis of which financial assistance to a Club is determined. (Paragraph No. 199.)

Commercial Pilot's Training

289. Some Flying Clubs may be selected and permitted to impart training for obtaining a Commercial Pilot's Licence and the selected trainees may be given training at a reasonably subsidised rate without guaranteeing any employment. (Paragraph No. 202.)

Remunerative Activities at Clubs and Incentive for Pilots

290. The Clubs may be encouraged initially to engage in such remunerative activities which may not need acquisition of any additional equipment or any specialised training of pilots. To give an incentive to pilots, acquisition of a Private Pilot's Licence may be recognised as a preferment for employment. (Paragraph No. 203.)

Aero Club of India

291. Its functions should enlarge and it should play a better role for the benefit of the Flying and Gliding Clubs to justify grants from the Government of India. (Paragraph No. 209.)

Air Rallies

292. Rallies may be held at periodical intervals. The Committee presumes that Government would continue the same concessions and also render financial assistance as have been given in the past. (Paragraph No. 210.)

Aeromodelling

293. It may be encouraged and introduced as an item of sport in Schools and Colleges. (Paragraph No. 213.)

Training of Instructors and Winch Operators

294. Adequate facilities should be provided for training such personnel. (Paragraph No. 220.)

Gliding and other Equipment

295. If gliders and winches are to be loaned to the Clubs by Government, adequate steps should be taken to give the minimum number of gliders and winches in order that the activities may not be hampered. Government may sanction an outright grant for the purchase of a jeep to Clubs which

are not in a position to acquire it from their own funds. (Paragraph No. 221.)

296. Cables should be procured by Government on an estimate of annual requirements of all the Clubs and supplied to them in order to reduce avoidable expenditure incurred at present by local purchase. (Paragraph No. 222.)

Establishment and Service Conditions at Gliding Clubs

297. The strength of establishment and scales of pay and other allowances of establishment and their conditions of service should be standardised as in the case of Flying Clubs so that no Gliding Club could exceed the standard cost as worked out. (Paragraphs No. 224 and 229.)

Fees for Training and for Joy Rides

298. The existing rate of Re. 1 per launch may continue. (Paragraph No. 277.)

Revised Rates of Subsidy & Subvention for Gliding Clubs

299. Fixed subsidy :

	Rs.
For Clubs performing 1500 to 3000 launches	20,000
For Clubs performing 3000 to 4500 launches	25,000
For Clubs performing 4500 to 6000 launches	30,000

Subvention :

Flat rate of Rs. 6 per launch (including joy rides)

Gliding Clubs may be given an additional subvention @ Rs. 3 per launch to build up a reserve for eventual owning of gliders if it is proposed that ultimately the Clubs would be expected to own gliders. (Paragraphs No. 230-232.)

New Gliding Clubs

300. The minimum number of members for starting a new Club may be fixed at 50. The minimum number of launches required under the Subsidy Scheme viz. 1500 may be relaxed in special circumstances. (Paragraph No. 234.)

Accounting Instructions and other Recommendations for the Economic Running of the Gliding Clubs

301. The recommendations made in the case of Flying Clubs should be deemed to be equally applicable in the case of Gliding Clubs as far as may be relevant. (Paragraph No. 235.)

Gliding by NCC Cadets

302. National Cadet Corps gliding scheme may be co-ordinated with the activities of the civil Gliding Clubs. (Paragraph No. 236.)

General

303. The Gliding Clubs should, as far as possible, be organised at places separate from the Flying Clubs and preferably near centres of education. Possibility of starting new Clubs at airstrips and landing grounds where there is not much of air traffic may be explored. (Paragraph No 237.)

CHAPTER XIII

ACKNOWLEDGEMENTS

304. The Committee is indebted to the Flying and Gliding Clubs and various other bodies and individuals who were good enough to send their replies to the questionnaire and to those who gave evidence and made valuable suggestions.

The Committee is grateful to Shri S. Jayashankar, Chairman, Dr. V. N. Ghatage and Captain Dhargalkar of Hindustan Aircraft Limited, Bangalore, for giving their valuable views on the problems facing the Clubs in the matter of trainer aircraft and spare parts.

The Committee is obliged to Air Vice Marshal S. N. Goyal, A.O. C-in-C, Training Command, Bangalore, and Group Captain K. M. Agarwala, Officer Commanding, I.A.F. Training Centre, Tambaram and Air Commodore R. Sita Ram, Director, National Cadet Corps (Air) for receiving the Committee and giving the members the benefit of their views on the problem of training of pilots.

The Committee is indebted to Shri V. V. Giri, Governor of Kerala, Shri B. Patnaik, Chief Minister of Orissa, Shri C. B. Gupta, Chief Minister of Uttar Pradesh, Shri Niranjan Singh Talib, Public Works Minister of Punjab, Shri B. C. Patel, Finance Minister of Bihar and Shri M. D. Mathur, Home Minister of Rajasthan for receiving the members and obliging them with their views.

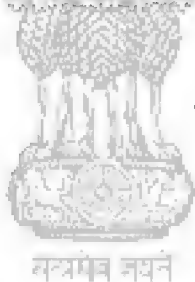
The Committee is grateful to Shri Jagjivan Ram, Minister for Transport & Communications and Shri Ahmed Mohiuddin, Deputy Minister of Civil Aviation for receiving the members.

The Committee is also grateful to Shri M. M. Philip, Secretary, Ministry of Transport and Communications (Departments of Communications and Civil Aviation), Shri L. C. Jain, Chief Secretary to the Government of Uttar Pradesh, Shri T. R. Mantan, Dy. Secretary, Ministry of Transport and Communications (Departments of Communications & Civil Aviation), Shri M. C. Bijawat, Pro-Vice Chancellor, Banaras Hindu University, Sardar Santokh Singh, Aviation Adviser to the Government of Punjab and Shri R. K. Nanda, Principal, Civil Aviation Training Centre, Allahabad, who received the Committee and expressed their views.

The Committee is obliged to Shri R. N. Kathju, Director General of Civil Aviation and Shri M. C. Dikshit, Director of Training & Licensing, Civil Aviation Department, for giving it the benefit of their helpful views on the problems before the Committee and for making available to it the services of Sarvashri V. V. Johri and R. Sundararajan, Section Officer and Stenographer respectively.

The Committee is thankful to the Chief Auditor, Western Railway, Churchgate, Bombay, and the Director of Commercial Audit, New Delhi, for making available to it the services of Shri P. V. Ananthanarayanan and Shri B. K. Ganguly respectively.

305. The Committee is deeply indebted to the officers and staff of its secretariat. Shri Babar Mirza, Member-Secretary, with his great experience and knowledge of the working of the Flying and Gliding Clubs, was of great help to the other Members of the Committee in enabling them to judge the problems of the Clubs and in arriving at conclusions. Shri V. V. Johri, Section Officer, with his ability, diligence and thoroughness was of great assistance in the examination of the various problems, the finalisation of the conclusions and in the preparation of this report. Shri P. V. Ananthanarayanan and Shri B. K. Ganguly, Accountants of the Audit Department, and Shri B. S. Khanna, Assistant, of the Civil Aviation Department were very energetic and thorough in analysing the replies to the questionnaire and in preparing the various statements and graphs. To Sarvashri R. Sundararajan and M. S. Mukherjee, goes credit for not only the efficient, fast and accurate manner with which they recorded and reproduced verbatim the oral evidence tendered before the Committee by the various Clubs but also for the willing co-operation and devotion to duty evinced by them in the Committee's work throughout. Shri I. C. Garg and Shri S. K. Minotra, Lower Division Clerks, with their devotion to duty were very helpful in presenting to the Committee the records of discussions and the various statements promptly. By their intelligent and hard work all the above staff won the appreciation of all the Members of the Committee. The Committee sincerely feels that but for their willing co-operation, it would not have been possible for it to finish the task within the allotted time.



(G. NARAYANASWAMI)

Chairman

(G. V. RAJA), Lt. Col.

Member

(BABAR MIRZA)

Member-Secretary.

NEW DELHI,

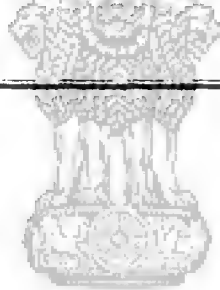
Dated the 14th January, 1963.



सत्यमेव जयते

PART II

APPENDICES
AND
STATEMENTS



सत्यमेव जयते



सत्यमेव जयते

APPENDIX 1

NO. 15-VE(35)/61

GOVERNMENT OF INDIA

MINISTRY OF TRANSPORT & COMMUNICATIONS

(Departments of Communications & Civil Aviation)

Dated, New Delhi the 20th March, 1962

29th Phalguna, 1883

ORDER

On the recommendations made by the Master Committee in 1953, the Government of India had evolved a Scheme for payment of subsidy and subvention to the Flying Clubs in India. The Scheme was brought in force with effect from the 1st April, 1954, *vide* the late Ministry of Communications letter No. 14-A/6-(53)/2, dated 31st July, 1954/2nd August, 1954. A scheme for the payment of subsidy and subvention to the Gliding Clubs/Gliding Wings of the Flying Clubs has also been sanctioned *vide* Ministry of Transport & Communications (Departments of Communications & Civil Aviation) letter No. 15-VE(27)/59, dated 22nd September, 1959. Certain difficulties have been brought to the notice of the Government of India in connection with the working of these schemes. The Government of India have, therefore, decided to constitute a Committee to examine the existing system of the grant of subsidy and subvention to the Flying Clubs and Gliding Clubs and to recommend the procedure to be followed in the maintenance of the accounts by the Clubs.

2. The Committee shall be composed of the following :—

- | | |
|--------------------------|------------------|
| 1. Shri G. Narayanaswamy | Chairman |
| 2. Lt. Col. G. V. Raja | Member |
| 3. Shri Babar Mirza | Member Secretary |

3. The terms of reference of the Committee shall, in particular, be :—

- (i) To work out the standard cost of operation of the Gliding Clubs, and of Class I, II, III and IV Flying Clubs and their branches based on different types of aircraft operated by the Flying Clubs, having regard to the changes that have taken place in the flying pattern of the Clubs and the increased cost of spare parts, fuel and other materials and the pay structure of their employees;
- (ii) To review the working of the existing subsidy scheme and to determine whether the results achieved by the grants-in-aid sanctioned to the Flying Clubs and Gliding Clubs under the existing orders are commensurate with the expenditure incurred, and to make recommendations for the modification of the existing schemes, having particular regard to :
 - (a) the cost of operation of the Clubs as determined by the Committee;
 - (b) the various sources of revenues of the Clubs, including the grants-in-aid sanctioned by the Central Government and the State Governments; and
 - (c) the amount of insurance for which the Pilot-Instructors of the Clubs should be compulsorily insured.

(iii) To study the existing instructions for accounting of the grants-in-aid sanctioned by the Central Government and the assistance received from other sources including State Governments and to recommend :

(a) rate of contribution to the Accident Reserve Fund;

(b) rate of contribution to the Replacement Fund;

(c) instructions to be followed in preparing the annual balance sheet and the income and expenditure account with a view to ensuring that the grants are spent for the purpose for which they are intended and the monies are accounted for properly.

4. The Committee shall submit its report to the Government as early as possible, preferably in about 3 months.

5. The Headquarters of the Committee shall be at New Delhi.

(Sd.) M. M. PHILIP,

Secretary to the Government of India



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APPENDIX V-A
NO. 14-A/6-53(2)
GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS

From

Shri D. R. Kohli,
Under Secretary to the Government of India.

To

The Director General of Civil Aviation,
New Delhi.

Dated the 2nd August, 1954.

SUBJECT : *Scheme of subsidy to Flying Clubs for the period 1st March, 1954 to 28th February, 1955*

Sir,

The Government of India have had under consideration the question of revising the subsidy scheme for Flying Clubs on the recommendations of the Committee for the training of Civil Air Pilots (Master Committee). The financial position of all Flying Clubs in the country has been far from satisfactory. The Government of India have given careful consideration to the measures suggested by the Master Committee for placing the Clubs on a stable footing and the following scheme has now been approved for subsidies to the Clubs on an experimental basis for a period of one year from the 1st March, 1954.

2. For the purpose of the subsidy the existing Flying Clubs will be classified as follows :—

Class I Clubs

Bombay Flying Club and Hind Provincial Flying Club, Lucknow (including its 2 branches at Kanpur and Allahabad).

Class II Clubs

Bengal Flying Club, Barrackpore; Madras Flying Club, Madras and Northern India Flying Club, Jullundur.

Class III Clubs

Delhi Flying Club, Delhi; Bihar Flying Club, Patna and Rajasthan Flying Club, Jaipur.

Class IV Clubs

Madhya Pradesh Flying Club, Nagpur; Orissa Flying Club, Bhubaneshwar and the Mysore Flying Training School, Bangalore.

The following fixed subsidies will be payable to the Clubs in quarterly instalments in advance :—

	Rs.
Class I Clubs	1,00,000 per annum
Class II Clubs	75,000 per annum
Class III Clubs	60,000 per annum
Class IV Clubs	40,000 per annum

Flying Subvention

Flying subvention will be payable to the various Flying Clubs at the following rates :—

A. N.C.C. Trainees

- | | | |
|--------------------------------|---------|------------------|
| (i) at Class I and II Clubs | .. .. . | Rs. 25 per hour. |
| (ii) at Class III and IV Clubs | .. .. . | Rs. 35 per hour. |

B. Non-N.C.C. Trainees

- (1) *Those below 28 years of age :*
- (2) *Those 28 years of age and above :*
 - (a) Rs. 25 per hour in Classes I & II Clubs and
 - (b) Rs. 35 per hour in Classes III & IV Clubs.

The flying fee for N.C.C. trainees at the Clubs shall be Rs. 25 per hour which will be met by the State Governments concerned. For all non-N.C.C. trainees who are Matriculates and below 28 years of age, the flying fee shall be Rs. 10 per hour. For all others, the fee shall be Rs. 25 per hour. The subvention will be admissible only in respect of training for private pilot's licence and for renewal of licences. No subvention will be admissible in respect of flying done for Commercial Pilot's Licences.

3. The President has also been pleased to sanction the payment of subsidies on the scales mentioned in para 2 above to the Flying Clubs for the first two quarters ending 31st August, 1954. The payments sanctioned are provisional, pending receipt of audited accounts of Clubs concerned for the year ending the 31st March, 1954.

4. From out of the sums payable under the above orders to the Clubs mentioned below, the following should be deducted and only the balance, if any, paid to the respective Clubs :

- (i) Rs. 7,500 (Rupees seven thousand five hundred only) from the Delhi Flying Club. This amount had been paid to the Club as "on account" payment *vide* this Ministry's letter No. 15-A/2-54, dated the 27th April, 1954.
- (ii) Rs. 8,802-3-11 (Rupees eight thousand eight hundred and two and annas three and pies eleven only) from the Bengal Flying Club Ltd., Barrackpore. This amount is due from the Club to the Government of India as arrears of rent in respect of certain quarters at 3 C.M.U. Barrackpore which had been given to the Club.

The expenditure involved is debitable for 1954-55 to "44-Aviation : Aeronautical Training and Education : Subsidies to Flying and Gliding Clubs". The amount of Rs. 8,802-3-11 *vide* paragraph 4(ii) above should be credited to the Controller of Defence Accounts (Factories), Calcutta.

By order, etc.,

(Sd.) D. R. KOHLI,

Under Secretary to the Government of India.

Copy forwarded to Ministry of Finance (Commons.), etc.

APPENDIX V-B
NO. 15-VE(149)/58
GOVERNMENT OF INDIA
MINISTRY OF TRANSPORT & COMMUNICATIONS

From

(Departments of Communications & Civil Aviation)

Shri S. N. Kaul,
Under Secretary to the Government of India.

To

The Director General of Civil Aviation,
New Delhi.

Dated, New Delhi, the 4th September, 1961
13th Bhadra, 1883

SUBJECT : *Formation of branches by the Flying Clubs within the area of thier operation—Payment of subsidy and subvention for.*

Sir,

I am directed to say that the question of actively encouraging subsidised Flying Clubs in India to organise branches within the area of their operation has been under consideration of the Government for sometime past and the President has been pleased to decide that for purposes of payment of subsidy and subvention for the flying done at a branch, the Flying Clubs may be allowed :—

either

- (a) to count the flying done at the branch towards the revision of the classification of the main club and to *claim* subsidy and subvention at the rates applicable to the classification of the main club as so revised;

or

- (b) to receive subsidy and subvention separately for the flying done by the branch at the rates given below :—

- (i) Annual fixed subsidy : Rs. 20,000 per annum.

This will be reduced by Rs. 3,500 per annum if the aircraft based at the Branch has been loaned by Government, as the Club will not be required to make any contribution to the Replacement Fund in that case.

- (ii) Subvention : At the rates applicable to a Club in Class IV category. Where the Club elects to receive separate subsidy and subvention for the flying done at a Branch as provided in clause (b) above, the classification of the main Club shall be determined only with reference to the flying done at its main Centre.

2. For purposes of clauses (a) and (b) (ii) of para. 1, the rates of subsidy and subvention payable to the Flying Clubs of different classes shall be determined by the Government of India at the commencement of each *financial* year. For the year 1961-62 the rates of subsidy and subvention payable shall be as sanctioned *vide* this Ministry's letter No. 15-VE(7)/61, dated the 19th April, 1961.

3. The detailed provisions regarding the conditions and requirements subject to which the Flying Clubs shall be permitted to organise branches are set out in the enclosed scheme.

4. These orders shall come into effect from the 1st April, 1962, so far as formation of 'new' branches is concerned. The Flying Clubs would, however, be entitled to exercise the option under these orders in respect of "existing" branches for the current financial year also.

5. The expenditure involved shall be debited to the head "44-Aviation, F—Grants-in-aid, F.—1 subsidies to Flying and Gliding Clubs."

Yours faithfully,

(Sd.) S. N. KAUL,

Under Secretary to the Government of India.

No. 15-VE(149)/58

Dated, New Delhi the 4th September, 1961

13 Bhadra, 1883

Copy, with enclosure with 51 spare copies forwarded to the Ministry of Finance (C) for onward transmission to :—

1. The Accountant General, Central Revenues, New Delhi.
 2. The Accountant General, Uttar Pradesh, Allahabad.
 3. The Accountant General, Punjab, Simla.
 4. The Accountant General, Maharashtra, Bombay.
 5. The Accountant General, Madras, Madras.
 6. The Accountant General, West Bengal, Calcutta.
 7. The Accountant General, Bihar, Ranchi.
 8. The Accountant General, Orissa, Bhubaneswar.
 9. The Accountant General, Mysore, Bangalore.
 10. The Accountant General, Rajasthan, Jaipur.
 11. The Accountant General, Madhya Pradesh, Gwalior.
 12. The Accountant General, Andhra Pradesh, Hyderabad.
 13. The Accountant General, Assam, Shillong.
 14. The Accountant General, Gujarat, Ahmedabad.
 15. The Accountant General, Kerala, Trivandrum.
 16. The Senior Deputy Accountant General, Maharashtra, Nagpur.
 17. Senior Deputy Accountant General, Gujarat, Rajkot.
- with reference to their U. O. No. 3632-CFS/61, dated the 30th August, 1961.

(S. N. KAUL),

Under Secretary to the Government of India.

SCHEME FOR PAYMENT OF SUBSIDY AND SUBVENTION TO FLYING CLUBS FOR ORGANISING BRANCHES WITHIN THE AREA OF THEIR OPERATION

I. In accordance with the provisions of clause 9 of the model subsidy agreement required to be executed by Flying Clubs, a Flying Club may, with the permission in writing of the Director General of Civil Aviation and subject to such other conditions as may be prescribed, organise one or more branches at aerodromes within the area of its operation as indicated in the Schedule attached to that clause. The question of drawing up a scheme prescribing conditions and requirements subject to which such Branches should be organised, has now been examined. Having regard to the fact that one or more Flying Clubs have already been established in all the States, the Government of India consider that a stage has been reached where the Flying Clubs should be actively encouraged to form Branches in the area of their operation and that a suitable grant-in-aid should be sanctioned to the Clubs for this purpose. The grant sanctioned by the Government of India would be mainly intended to cover the essential recurring expenditure of the Branch e.g., maintenance of the aircraft and engine purchase of petrol oil, and lubricants, spare parts, contributions to the Accident Reserve Fund and Replacement Reserve Fund and pay of staff etc. Government of India, however, expect that the Flying Clubs interested in formation of a Branch shall enlist sufficient local enthusiasm and shall also collect funds, either through grant-in-aid from State Governments or from the local authorities/institutions or from local population to meet the initial expenditure in connection with the formation of the Branch, such as purchase of one aircraft and engine, workshop equipment and stores required for the maintenance of the aircraft and engine, purchase of hangar where necessary, construction of club building and the employment of the essential staff in the initial stage.

II. In order to regulate the procedure by which such Branches are recognised and grants are paid by the Central Government for flying done at these Branches and to ensure that grants paid by Government are properly utilised, the Government of India have now decided that the following conditions and requirements shall be complied with by the flying clubs in this connection :—

(i) A flying club may propose to establish a branch at any place which is not served by an existing club, and where there is sufficient flying potential. The proposed station should be situated within the area of operation of the Club as indicated in the Schedule to Clause 9 of the Principal Subsidy Agreement executed by the Club.

(ii) The Clubs should ensure and satisfy the Director General of Civil Aviation that the following facilities are available for the use of the proposed Branch :—

- (a) an aerodrome licensed or approved by the Director General of Civil Aviation, which has basic ATC facilities and is under the charge of an official of the Department, who can supervise and certify the Club's flying for payment of subvention bills, etc.;
- (b) sufficient hangar accommodation for aircraft workshop;
- (c) satisfactory arrangements for fire fighting and first aid;
- (d) refuelling facilities by an oil company; and
- (e) the place where the Branch is proposed to be organised has a University or has a sufficient number of Colleges or has other similar institutions/industries so that the number of flying members of the Proposed Branch would be sufficient to achieve at least 500 hours of instructional flying per annum.

No request for the formation of a Branch at a place, where the facilities mentioned at (a) to (e) above do not exist, shall ordinarily be considered by Government.

(iii) The Club should forward a written assurance in the form of a resolution passed at a meeting of the Managing Committee/Board of Directors/Executive Body of the Club that the proposed Branch will comply with such instructions and directions as may be issued by the Director General of Civil Aviation from time to time regarding operation, training, administration accounts, expenditure, etc., of that Branch.

(iv) All obligations imposed upon the Main Club under the Subsidy Scheme in the matter of imparting flying training, voting rights of the trainees, maintenance of accounts, submission of statistics, contributions to Accident Reserve Fund and Replacement Fund, etc., shall be equally applicable to the Branch. The Branch shall be subject to the overall control of the Managing Committee/Board of Directors/Executive Body of the Main Club, but the Club shall constitute a Local Committee at each Branch. At least one half of the members of the Local Committee shall be from among the local members at the Branch. The functions of the Local Committee shall primarily be advisory in character; but the Managing Committee/Board of Directors/Executive Body of the Main Club, may delegate such powers and functions and impose such duties on the Local Committee as it may deem necessary for the proper functioning of the Branch. If the Managing Committee/Board of Directors/Executive Body of the Main Club is not empowered to delegate such powers and functions or to impose such duties on the local Committee, the necessary delegation may be made by a resolution of the General Body of the Club.

The members enrolled at the Branch shall *ipso facto* be the members of the Club and shall together with other members of the Club, constitute the General Body of the Club.

(v) Without prejudice to the flying activities at the Main Centre of the Club, the Club may detail instructors, technical personnel and aircraft and other equipment from the headquarters aerodrome and station them at the Branch. The Club shall, however, ensure that at least one serviceable aircraft is based at the Branch to ensure uninterrupted flying training. The minimum strength of the staff to be maintained at the Branch shall be :—

(a) *One Pilot Instructor-in-charge*

He must be in possession of a current Pilot Instructor's Licence. He should have substantial experience in instructional duties at a Flying Club and must be approved for the purpose by the Director General of Civil Aviation.

(b) *One Maintenance Engineer*

He must possess requisite A.M.E. licences, qualifying him to inspect and certify training aircraft used at the Branch.

(c) *One Mechanic-cum-Storekeeper*

(vi) Free landing and housing facilities as admissible at the Headquarters aerodrome will be admissible at the Branch, subject to availability.

(vii) For purposes of payment of subsidy and subvention for the flying done at a Branch, the Flying Clubs shall have the option :—

- (a) to count the flying done at the Branch towards the revision of the classification of the Main Club and claim subsidy and subvention at the rates applicable to the classification of the Main Club as so revised;

OR

- (b) to receive subsidy and subvention separately for the flying done at the Branch as detailed in para (viii) below.

The option to elect either of these two alternatives shall be exercised within one month of the commencement of the flying training operations at the Branch. The option so exercised shall not be revised for a period of one year. In subsequent years, the option shall be exercised by the Club by the 31st January each year at the latest, and the option shall have effect from the commencement of the next financial year.

(viii) In case, a club elects to receive separate subsidy and subvention for a Branch as provided in clause (vii)(b) above, the scale of subsidy and subvention shall be as under :—

Annual fixed subsidy : Rs. 20,000 per annum.

This will be reduced by Rs. 3,500 p.a. if the aircraft based at the Branch has been loaned by Government, as the Club will not be required to make any contribution to the Replacement Fund in that case.

Subvention : At the rates applicable to a Club in Class IV category.

Normally flying clubs in Class IV category, which are themselves not sufficiently developed will not be permitted to organise a Branch. An exception may, however, be made in favour of a Club, on merits, wherever justified.

(ix) The payment of subsidy and subvention for a Branch, as in para (viii) above shall be subject to the following conditions :—

- (a) The flying done at the centre will not count towards the classification of the main club;
- (b) The Branch logs a minimum of 500 hours of instructional flying in the preceding year. This condition shall not be applicable to the year in which the Branch is formed.
- (c) The club will maintain separate accounts for the Branch—expenditure on common services being allocated proportionately between the main club and the branch.

(x) The Club shall furnish such periodical returns or information, and maintain such records in respect of the Branch as may be required or prescribed and comply with such directions as may be issued by the Director General of Civil Aviation.

(xi) The club shall execute such agreement in respect of the Branch as may be prescribed by the Director General of Civil Aviation.

III. The annual accounts of the Club including the Branch shall be compiled together at one place for the Club as a whole, and a copy of the accounts duly audited by a Chartered Accountant, shall be submitted to the Director General of Civil Aviation for approval before it is printed. The Accounts of the Branch shall be open to test-check by the Comptroller and Auditor General of India or an officer nominated by him.

IV. The Government may withdraw recognition from a Branch, if its performance does not come up to the limit of 500 hours of instructional flying during the preceding year, or if the Branch is not being managed in accordance with the instructions issued by the Director General of Civil Aviation. In the event of Government withdrawing recognition for any such Branch, subsidy and subvention admissible under paras (vii), (viii) and (ix) above for flying done at the Branch will not be paid from the date of such withdrawal of recognition, nor will the club be permitted to claim a higher classification on the basis of any further flying done at the Branch.

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(Sd.) S. N. KAUL,

Under Secretary to the Government of India.

APPENDIX VI-A
STANDARD STRENGTH OF STAFF OF FLYING CLUBS

Nature of posts	Classification of Clubs								
	Class IV		Class III		Class II		Class I		
	800 hrs.	1200 hrs.	1600 hrs.	2000 hrs.	2400 hrs.	2800 hrs.	3200 hrs.	3600 hrs.	4000 hrs.
(A) Flying									
Chief Pilot Instructor	—	—	1	1	1	1	1	1	1
Pilot Instructor (Senior Grade)	1	1	—	—	—	—	1	1	1
Pilot Instructor (Junior Grade)	—	—	—	—	—	1	—	—	1
Assistant Pilot Instructor	—	1	1	2	2	2	2	3	2
Flight Clerk	1	1	1	1	1	1	2	2	2
(B) Engineering									
Chief Engineer (Senior Grade)	—	—	—	—	1	1	1	1	1
Chief Engineer (Junior Grade)/Deputy Chief Engineer	1	1	1	1	—	—	1	1	1
Assistant Engineer	—	—	—	1	1	1	—	1	1
Skilled Mechanic (Senior)	—	—	1	1	1	1	1	1	1
Skilled Mechanic (Junior)	1	1	1	1	1	2	2	2	3
Semi-skilled Mechanic	—	2	2	3	3	4	4	5	5
Cleaners	2	3	4	5	6	7	8	9	10
Store Keeper	1	1	1	1	1	1	1	1	1
Store Clerk	—	—	—	—	1	1	1	1	2
(C) Administrative									
Assistant Secretary	1	1	1	1	1	1	1	1	1
Accountant	—	—	1	1	1	1	1	1	1
Assistant Accountant	1	1	—	—	1	1	1	1	1
Typist/Clerk	1	1	1	1	1	2	3	3	3
Class IV staff (Peons, sweepers, chowkidars, mecha- nic).	6	6	8	8	10	10	12	12	14

APPENDIX VI-B

STANDARD SCALES OF PAY FOR VARIOUS CATEGORIES OF STAFF OF FLYING CLUBS

Sl. No.	Posts	Scales of Pay
		Rs.
(A) Instructional and Flying Staff		
1.	Chief Pilot Instructor (Holding P.I. licence and over 2000 hours experience).	1000—50—1300—EB—75—1600.
2.	Pilot Instructor (Holding P.I. licence Sr. Grade over 1000 hours experience)	750—50—1000 plus an allowance of Rs. 100 p.m. when holding independent charge
3.	Pilot Instructor (Holding P.I. licence Jr. Grade over 500 hours experience).	500—40—700.
4.	Asstt. Pilot Instructor ('B' licence holder or Commercial licence holder with Asstt. Instructor's Rating and over 300 hours experience).	350—30—500.
5.	Flight Clerk	Local scales may be adopted. For calculation of standard cost, Rs. 150 p.m. inclusive of allowances has been taken into account.
(B) Engineering Staff		
1.	Chief Engineer (Sr. Grade) (A, B, C, D & X licences 15 years experience).	1250—60—1550.
2.	Chief Engineer (Jr. Grade)/Deputy Chief Engineer (A, B, C & X licences 10 years experience).	750—40—950—EB—50—1200.
3.	Asstt. Maintenance Engineer (A, C & X licences 4 years experience).	350—25—500—EB—25—550—700.
4.	Assistant Radio Engineer	350—25—500.
5.	Chief Mechanics/Senior Aircraft Mechanics	175—10—225—25—380.
6.	Junior Aircraft Mechanics	100—5—140—7—175.
7.	Senior Skilled Mechanics	75—2—85—3—100.
8.	Cleaners	50—2—80.
9.	Store-keeper	Local scales may be adopted. For standard cost, average rates of emoluments inclusive of allowances at Rs. 200 p.m. for Store-keeper and Rs. 150 p.m. for Asstt. Store-keeper have been taken into account.
10.	Store Clerk	

APPENDIX VI-B—contd.

Sl. No.	Posts	Scales of Pay
		Rs.
(C) <i>Administration Staff</i>		
1. Asstt. Secretary		300—25—500—40—700.
2. Chief Accountant		Local scales may be adopted. For standard cost of operation, an average emolument inclusive of allowances at Rs. 450 p.m. for Chief Accountant, Rs. 200 p.m. for Asstt. Accountant and Rs. 150 p.m. for General Clerks, Typists, etc. and Rs. 100 p.m. for Class IV Staff, have been taken into account.
3. Assistant Accountant		
4. Typists/Junior Clerks		
5. Peons/Chowkidars, etc.		

Staff of Flying Clubs may be entitled to normal dearness allowance, house rent and compensatory allowances, as admissible to the employees of the State Government in which the Flying Club is situated. The salaries should be fixed on the proposed scales of pay in such a manner that they get no allowances other than those envisaged in this scheme and the emoluments so drawn by them do not exceed the actual emoluments currently being drawn by each member of the staff. In cases where the total emoluments in the proposed scale fall short of the emoluments drawn as on 31-3-1962, the difference may be paid as special pay to be adjusted in future increments.



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APPENDIX IX

IMPORTANT DEFECTS THAT CAME TO NOTICE DURING THE TEST CHECK OF THE RECORDS OF THE FLYING CLUBS

1. *Ad hoc* increments or increase of pay have been given in certain clubs.
2. Posts (technical) created in excess of the scale laid down by the Director General of Civil Aviation.
3. Non-maintenance of the following accounts and records in connection with stores.
 - (a) Bin cards for stores,
 - (b) Petrol and Oil accounts,
 - (c) Stores priced ledgers,
 - (d) Job cards or cost cards in workshops, especially where work of C of A of aircraft and engine overhauls for other clubs are being done or where State Government aircraft are maintained.
4. Stock verification of stores not being carried out regularly.
5. Material consumed in a year is not taken out from the issues in the stores ledgers, but are ascertained by deducting the closing balance from the opening stock and the purchases made during the year.
6. Pricing for stores issued is not uniform.
7. No separate accounts for expenditure on establishment stores and labour, are kept for the maintenance of the State aircraft.
8. Investment of specific funds such as Provident Fund, Accident Reserve Fund, etc. have not been fully made.
9. Overdrafts have been obtained by pledging the securities of the invested funds.
10. Interest free advances have been granted to staff for non-official purposes.
11. Honorary officers of the Club have been granted concessions which border on extravagance.
12. Entries in the General Ledgers not made promptly.
13. Daily flight records not being sent to the Aerodrome Officer daily.
14. Orders for supply of materials placed without inviting quotations from all the approved firms whereby the competitive rates are not taken advantage of.

APPENDIX X

PROCEDURE FOR THE ACCOUNTING OF STORES BY THE FLYING CLUBS

The following procedure may be followed on receipt of the stores:—

Stores are normally received from suppliers through release notes. Invoices received therefor are to be countersigned by the Engineer/Storekeeper indicating the actual receipts are passed on to the Accounts Section where the values of such receipts are recorded in the General Ledger and payments arranged for. The Storekeeper/Engineer, after inspecting the stores should arrange the stores in the bins or spaces allocated in the racks for the same. Immediately entries of receipts should be made in the Daily Receipts Register giving full particulars of the release note/invoice, the quantity received, the rates and their values. At the end of the day, necessary entries should be made in the Bin Cards.

All the issues from stores should be made on Requisition/Issue Slips prepared by the Engineer in duplicate. Such issue slips should indicate the purpose for which the stores are required, viz., Certificate of Airworthiness of aircraft, Engine Overhaul, Ordinary Maintenance. After issue of the stores, entries are to be made in the Daily Issue Register in detail and a copy of the Issue Slip sent to the Accounts Section for pricing and making entries in the Priced Stores Ledger. At the end of the day, the details recorded in the Issue Register are to be entered in the Bin Cards in the respective columns and the balances arrived at. At the close of the year or at definite intervals, the balances of the various items shown in the Bin Cards should be verified with the ground balances and necessary certificates of the verification recorded on the Bin Cards. The result of the Stock Verification should be intimated to the Accounts Section giving the book balances, the ground balances, excesses or deficits. Large deficits or excesses should be investigated and set right. Staff responsibility should also if necessary be fixed and suitable action taken.

The Accounts Section will maintain the Priced Stores Ledgers for all the different kinds of spares and materials received by the Flying Club. The entries on the receipt side will be made on the basis of the invoices/release notes received duly countersigned by the Storekeeper/Engineer. The rate at which the first purchase is made will be the ruling issue rate for all the issues from stock. On fresh receipt of the same class of stores at a rate other than that at which it was previously received, it would be necessary to work out an average rate as under:—

"Value of previous balances + Value of current receipts

"Quantity of previous balance + Qty. of current receipts"

This average rate would be applicable to all the issues made from the stock till such time subsequent stock of the same class is received at a rate different from the average rate.

On receipt of a copy of the Issue Slip from the Stores Section, the Accounts Section will indicate thereon the ruling average issue rate and arrive at the total value of the issues. Postings will also accordingly be made in the Priced Stores Ledgers. At the end of each month, the total of the issues of spares and materials made under the various heads viz., "Certificate of Airworthiness, Engine Overhaul, Ordinary Maintenance" should be worked out and their values also struck. This will facilitate the compilation of the annual accounts. The Balances at the close of the year when received from the Engineer/Storekeeper should be valued at the ruling average rates and the annual accounts compiled thereafter. The existing procedure in some Clubs of arriving at the figure of "Balance consumed in Flying" by subtracting the value of "Stock at Close" from the total value of the "Stock at Commencement" and "Purchases made during the year" should not be followed merely as a matter of course. It should be verified whether the above value under "Balance consumed in Flying" reconciles actually with the value of the total issues made during the year under the various heads of consumption viz., 'C' of A, Engine Overhauls Ordinary Repairs & Maintenance'. On being satisfied that these two reconcile, the accounts should be prepared accordingly.

For each job viz. C of A and Engine Overhaul of the aircraft and engines belonging to the Club or of those belonging to other Clubs, undertaken, a job/cost sheet should be maintained by the Engineering Section. The number of men put on the job and the hours taken by them till the date of the completion of the job should be indicated therein and the cost of such establishment arrived at. The value of spares and materials consumed on the job should also be recorded on such sheets against each issue slip prepared for the job. As soon as the job is completed, the total cost so incurred on each job should be indicated. Such job/cost sheets will help the Clubs in ascertaining almost correctly the cost incurred on each job and consequently enable them to prepare a budget for expenditure in the ensuing year. It will also enable the Clubs to determine the actual expenditure incurred on the jobs undertaken for other Clubs or bodies and the amount to be recovered from them. A register called the 'Job Register' may also be maintained indicating the Serial No. and the details of the jobs taken on hand entered therein. The Serial No. may be quoted also on the Job/Cost Sheets along with the particulars of the job and these particulars invariably be quoted in all the issue slips issued therefor.



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APPENDIX XI
CONCESSIONS GRANTED TO THE OFFICE BEARERS OF THE CLUB
OR STAFF ON CLUB'S ACCOUNT DURING 1961-62

Name of Club		Concessions
Bombay Flying Club	.. ..	Honorary Secretary & Treasurer: 60 gallons of petrol (Maximum per calendar month)
Coveyance allowance of Rs. 940 paid to the following :—		
Madras Flying Club	.. ..	Rs. Chairman 115 Vice-Chairman 15 Hon. Secretary & Treasurer 480 5 Committee Members 330
Orissa Flying Club	.. ..	Car allowance as under : Rs. Honorary Secretary 750 Honorary Secretary 1,000 Joint Honorary Secretary 750 Joint Honorary Secretary 300 Chief Aviation Adviser 1,600 4,400
Government Flying Training School, Bangalore.		Car allowance as under :— Rs. Principal and Chief Flying Instructor 1,200 Chief Aircraft Maintenance Engineer 900 Assistant Chief Aircraft Maintenance Engineer. 389 Assistant Flying Instructor 406 Assistant Flying Instructor 280 Secretary 455 Skilled Mechanic 382 Staff, Advisory Board and Members. Free transport.
Coimbatore Flying Club	.. ..	Nil
Andhra Pradesh Flying Club, Hyderabad.		Nil
Delhi Flying Club, Delhi	.. ..	Nil
Kerala Flying Club, Trivandrum	.. ..	Car allowance to the Administrative Officer. Rs. 1,200
Bihar Flying Club, Patna	.. ..	Nil
Northern India Flying Club, Jullundur.		Nil
Nagpur Flying Club, Nagpur	.. ..	Honorary Secretary 15 gallons of petrol per month. Chief Pilot Instructor } Pilot Instructor. } Free transport. Asstt. Pilot Instructor } Aircraft Maintenance } Engineers. }

APPENDIX XI—contd.

Name of Club	Concessions
<div>Hind Provincial Flying Club, Lucknow.</div>	
<i>Honorarium</i>	
Managing Director	Rs. 12,000
<i>Petrol</i>	
Managing Director	3,240
Director & Hon. Joint Secretary	759
Honorary Secretary (2)	1,642
Honorary Joint Secretary	1,502
Honorary Pilot Instructor	232
	<hr/> 7,375 <hr/>
<i>Free Flying or Flying at concessional rates.</i>	
Director	85
Chief Pilot Instructor	386
Director & Honorary Secretary	532
Asstt. Pilot Instructor	57
Honorary Pilot Instructor	72
Assistant Pilot Instructor	201
	<hr/> 1,333 <hr/>
<i>Free transport</i>	
Honorary Pilot Instructor	Rs. 75
Junior Semi-skilled Mechanic	180
	<hr/> 255 <hr/>
<i>T.A. and Daily Allowance to the Directors for attending the meetings of the Boards.</i>	
(a) The Directors are paid a sum of Rs. 50 for attending each meeting. If there is a gap of five days it is considered as a fresh meeting.	
(b) Two First Class fare for each journey by train or at Re. 0.50 nP. per mile by road or air.	
(c) Halting allowance paid at Rs. 25 for the days of meeting plus one day extra.	
<i>T.A. and D.A. to Directors when required to travel on Club work other than for attending the Board's meeting.</i>	
They are paid Travelling Allowance admissible to the 1st Class Government servants. As regards Daily Allowance the same is paid at Rs. 25 per day.	
The members of the Managing Body when attending the meeting of the Executive Committee are given Travelling Allowance as is being paid to 1st Class Officers in accordance with the Uttar Pradesh Government Rules.	

APPENDIX XI—concl'd.

Name of Club	Concessions
	<i>Concessional flying</i>
Madhya Pradesh Flying Club, Indore.	<div style="display: flex; align-items: center;"> <div style="flex: 1;"> Honorary Treasurer Honorary Secretary Director </div> <div style="font-size: 3em; margin: 0 10px;">}</div> <div style="flex: 1;"> Rs. 10 per hour on Aeronca Chief i.e. actual petrol & oil used per hour. </div> </div>
	<i>Conveyance allowance</i>
	Rs. p.m.
	Chief Pilot Instructor 200
	Assistant Pilot Instructor 50
	Assistant Engineer 25
	Assistant Engineer 25
	300
	Chief Pilot Instructor (Bhopal) 200
	Assistant Pilot Instructor 50
	Assistant Engineer 50
	Assistant Secretary 50
	Stores Clerk 20
	Accountant 20
	300
Rajasthan Flying Club, Jaipur	<div style="display: flex; align-items: center;"> <div style="flex: 1;"> .. Honorary Secretary—Entertainment allowance. </div> <div style="flex: 1; text-align: right;">Rs. 1,500</div> </div> <div style="display: flex; align-items: center; margin-top: 10px;"> <div style="flex: 1;"> One Jeep and 720 gallons of petrol </div> <div style="flex: 1; text-align: right;">2,520</div> </div> <div style="display: flex; align-items: center; margin-top: 10px;"> <div style="flex: 1;"> Honorary Secretary Chief Pilot Instructor Chief Engineer Pilot Instructor </div> <div style="font-size: 3em; margin: 0 10px;">}</div> <div style="flex: 1;"> Telephone at his residence. Free transport from residence to airport and back. </div> </div>
Assam Flying Club, Gauhati	<div style="display: flex; align-items: center;"> <div style="flex: 1;"> .. Honorarium to Secretary </div> <div style="flex: 1; text-align: right;">Rs. 3,600</div> </div>
Gujarat Flying Club, Baroda	Nil

APPENDIX XII

AMOUNTS WRITTEN OFF BY THE FLYING AND GLIDING CLUBS DURING THE LAST FIVE YEARS AND THE AMOUNTS OUTSTANDING FOR RECOVERY FROM MEMBERS

						Rs. nP.
<i>Amount written off</i>						
Northern India Flying Club, Jullundur	..	..	..	..	..	366.46
Orissa Flying Club, Bhubaneswar	..	..	..	..	..	1,662.00
Hind Provincial Flying Club, Lucknow	..	..	..	..	..	3,087.54
Delhi Flying Club, New Delhi	..	..	..	..	..	940.35
Andhra Pradesh Flying Club, Hyderabad	..	..	..	..	..	224.34
Delhi Gliding Club, New Delhi	..	..	..	..	..	35.00
TOTAL						6,315.69
<i>Amounts outstanding from Members (Flying and Non-Flying)</i>						
				<i>Flying</i>	<i>Non-Flying</i>	
				Rs. nP.	Rs. nP.	
Kerala Flying Club, Trivandrum	..	..	..	—	925.00	
Andhra Pradesh Flying Club, Hyderabad	..	..	..	302.79	—	
Orissa Flying Club, Bhubaneswar	..	..	..	6,400.00	2,920.23	
				(Subscriptions from Members)		
Rajasthan Flying Club, Jaipur	..	..	..	13,625.38	5,972.39	
Madhya Pradesh Flying Club, Indore	..	..	..	—	791.22	
Delhi Flying Club, New Delhi	..	..	..	—	49,372.86	
				(Mainly social side)		
Hind Provincial Flying Club, Lucknow	..	..	..	6,859.87	20,632.14	
TOTAL				27,188.04	80,613.84	

APPENDIX XIII

SUMMARY OF INVESTMENT AND CONSUMPTION OF SPARE PARTS AT THE FLYING CLUBS DURING THE YEARS 1958-59 TO 1960-61

	1958-59	1959-60	1960-61
	Rs.	Rs.	Rs.
Opening stock	11,69,847	12,86,529*	14,61,395†
Purchases	5,23,582	5,96,690	5,89,726
TOTAL ..	16,93,429	18,83,219	20,51,121
Sales or issues other than flying	66,008	1,24,209	1,24,649
Consumed on flying	3,24,446	3,16,547	2,77,032
Closing stock	13,03,439	14,42,463	16,49,440

*Opening stock less by Rs. 16,820 than the closing stock of 1958-59 due to the following reasons :—

Over-valuation of stock in 1958-59

	Rs.
Bombay	16,797·00
Nagpur	23·00
	<u>16,820·00</u>

†Opening stock more by Rs. 18,932·00 than the closing stock of 1959-60 due to the following reasons :—

Spares found in excess in 1960-61 after closure of 1959-60 accounts and wrong accountal of consumption in 1959-60 accounts.

	Rs.
Hind Provincial Flying Club (Incorrect accountal in 1960-61 accounts while carrying forward.)	16,979·00
Rajasthan Flying Club	1,867·00
Bengal Flying Club	86·00
TOTAL ..	<u>18,932·00</u>

APPENDIX XIII-A
DETAILS OF INVESTMENT AND CONSUMPTION OF SPARE PARTS AT THE FLYING CLUBS

Sl. No.	Flying Clubs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
				Opening Stock	Purchases	Total	Sales or issues other than Flying	Closing stock	Balance consumed on Flying
I. 1958-59									
1.	Bombay ..	..	..	1,99,545	1,31,647	3,31,192	19,620	2,52,863	58,709
2.	Hind Provincial ..	..	..	4,01,337	78,503	4,79,840	9,185	3,82,113	88,542
3.	Madras ..	..	..	1,81,333	34,615	2,15,948	12,733	1,79,942	23,273
4.	Bihar ..	..	..	38,029	35,362	73,391	99	44,031	29,261
5.	Nagpur ..	..	..	32,924	28,108	61,032	—	48,343	12,689
6.	Delhi ..	..	..	—	41,643	41,643	29	25,688	15,926
7.	Northern India ..	..	..	57,540	24,904	82,444	417	66,183	15,844
8.	Rajasthan ..	..	..	31,027	22,797	53,824	—	38,779	15,045
9.	Madhya Pradesh ..	..	..	5,331	11,922	17,253	—	10,553	6,700
10.	Govt. Flying Training School ..	..	..	1,44,953	20,222	1,65,175	4,447	1,54,458	6,270
11.	Andhra Pradesh ..	..	..	12,636	53,882	66,518	—	29,014	37,504
12.	Orissa ..	..	..	41,410	11,658	53,068	19,362	30,302	3,404
13.	Assam ..	..	..	—	14,778	14,778	—	12,906	1,872
14.	Bengal ..	..	..	23,782	13,541	37,323	114	28,174	9,035
TOTAL ..		..	..	11,69,847	5,23,582	16,93,429	66,006	13,03,349	3,24,074

APPENDIX XIII-A—contd.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
II. 1959-60							
1.	Bombay ..	2,36,066	1,28,511	3,64,577	37,739	2,57,225	69,613
2.	Hind Provincial ..	3,82,113	1,12,446	4,94,559	10,462	3,87,135	96,962
3.	Madras ..	1,79,942	40,097	2,20,039	21,722	1,69,867	28,450
4.	Bihar ..	44,031	51,712	95,743	249	71,006	24,448
5.	Nagpur ..	48,320	55,058	1,03,378	22,131	66,172	15,075
6.	Delhi ..	25,688	30,911	56,599	696	36,463	19,440
7.	Northern India ..	66,183	30,249	96,432	6,058	80,879	9,495
8.	Rajasthan ..	38,779	14,548	53,327	—	40,481	12,846
9.	Madhya Pradesh ..	10,553	6,564	17,117	—	15,636	1,481
10.	Govt. Flying Training School	1,54,458	23,738	1,78,196	8,299	1,62,581	7,316
11.	Andhra Pradesh ..	29,014	26,960	55,974	—	43,992	11,982
12.	Coimbatore ..	—	846	846	—	836	10
13.	Kerala ..	—	12,442	12,442	—	10,302	2,140
14.	Orissa ..	30,302	20,744	51,046	12,103	35,835	3,108
15.	Assam ..	12,906	16,938	29,844	—	25,410	4,434
16.	Gujarat ..	—	2,722	2,722	—	2,350	372
17.	Bengal ..	28,174	22,204	50,378	4,750	36,293	9,335
TOTAL ..		12,86,529	5,96,690	18,83,219	1,24,209	14,42,463	3,16,547

III. 1960-61

1. Bombay	..	..	..	2,57,225	1,32,223	3,89,448	16,554	3,10,456	62,43
2. Hind Provincial	..	..	..	4,04,114	1,17,478	5,21,592	66,843	4,25,332	29,417
3. Madras	..	..	..	1,69,867	35,216	2,05,083	5,930	1,72,782	26,371
4. Bihar	..	..	..	71,006	31,320	1,02,326	275	67,356	34,695
5. Nagpur	..	..	..	66,172	38,002	1,04,174	2,872	72,835	28,467
6. Delhi	..	..	..	36,463	21,243	57,706	2,715	39,588	15,403
7. Northern India	..	..	..	80,879	18,362	99,241	2,381	83,248	13,612
8. Rajasthan	..	..	..	42,348	9,716	52,064	—	45,208	6,856
9. Madhya Pradesh	..	..	..	15,636	16,887	32,523	—	19,808	12,715
10. Govt. Flying Training School	..	..	..	1,62,581	15,194	1,77,775	2,489	1,69,502	5,784
11. Andhra Pradesh	..	..	..	43,998	27,306	71,298	3,957	62,300	5,041
12. Coimbatore	..	..	..	836	28,431	29,267	—	23,612	5,655
13. Kerala	..	..	..	10,302	16,545	26,847	—	18,595	8,252
14. Orissa	..	..	..	35,835	5,240	41,075	2,448	34,489	4,138
15. Assam	..	..	..	25,410	24,768	50,178	—	43,924	6,254
16. Gujarat	..	..	..	2,350	39,575	41,925	7,718	26,849	7,358
17. Bengal	..	..	..	36,379	12,220	48,599	10,467	33,556	4,576
TOTAL				14,61,395	5,89,726	20,51,121	1,24,649	16,49,440	2,77,032

APPENDIX XIV

**COPY OF LETTER NO. 15-VE(27)/59, DATED 22-9-1959 FROM THE
GOVERNMENT OF INDIA, MINISTRY OF TRANSPORT AND
COMMUNICATIONS, TO THE DIRECTOR-GENERAL OF CIVIL
AVIATION, NEW DELHI.**

SUBJECT :—Scheme of Subsidy to Gliding Clubs.

With reference to the correspondence ending with your U.O. No. 19/17/59-FG/413, dated the 23rd July, 1959, I am directed to say that the President has been pleased to approve of the following scheme of subsidy to the Gliding Clubs in the country :—

I. Scale of Subsidy and Subvention :

Annual fixed subsidy : Rs. 15,000 (Rupees Fifteen thousand only)

Subvention : @ Rs. 3 per launch.

II. Conditions to be fulfilled by a Gliding Club for becoming eligible for the grant of Subsidy and Subvention as at I above :

(i) A committee of prominent citizens interested in gliding should draw up the Memorandum and Articles of Association of the Club and get it approved from the Director General of Civil Aviation before finalisation.

(ii) The Clubs should be constituted as a limited liability company under the Companies Act, 1956 or registered as a Society under the Co-operative Societies Act and it should comply with all requirements under the respective Act.

(iii) The Club should try to raise funds either by private subscription or through the State Government for the initial purchase of some of the equipment required for gliding e.g. jeep, parachutes, cables etc.

(iv) Gliders and winches will be given to the Club by the Government on loan, after the Club has equipped itself with other gliding equipment.

(v) The gliders should be insured by the Club in the joint name of the Director General of Civil Aviation and the Club.

(vi) The Clubs should maintain all the equipment loaned to it by Government in serviceable condition.

(vii) The Clubs should enlist not less than 100 subscribing members before admission to the Subsidy Scheme.

(viii) The Club should engage suitably qualified instructional and engineering staff after obtaining approval of the Director General of Civil Aviation.

(ix) The Club should acquire necessary hand tools and workshop equipment.

(x) The Club should execute an agreement in a form approved by the Government to cover *inter-alia* the items as mentioned in Annexure I.

2. The subsidy to the Delhi Gliding Club during the years 1959-60 and 1960-61 shall be paid in accordance with the scale mentioned in Para 1 above.

3. The subsidy scheme will also be applicable to those subsidised flying clubs which may organise gliding wings. They will be required to execute an agreement embodying such of the conditions stipulated herein which are not already incorporated in the subsidy agreement, executed by them.

4. The working of the Scheme should be reviewed in March/April, 1961 and a detailed report submitted to this Ministry immediately thereafter.

5. The expenditure involved should be met from within the sanctioned budget grant of the Civil Aviation Department under the head "44-Aviation, F-Grants-in-Aid, F-1 Subsidies to Flying and Gliding Clubs."

ANNEXURE I.

Points to be incorporated in the Subsidy Agreement to be executed by Gliding Clubs

1. The minimum number of launches to be performed during a year shall be 1500. In case a club does not attain this minimum performance, the Subsidy Agreement

shall be liable to termination and all equipment and facilities made available under the Agreement withdrawn by the Director General of Civil Aviation.

2. Any item of equipment loaned to the Club can be withdrawn by the Director General of Civil Aviation at any time, without assigning any reason.

3. The membership of the Managing Committee should have at least 50% active flying or gliding members.

4. There should be one or more representatives of the Government on the Managing Committee, as necessary. The State Government may also nominate a representative on the Managing Committee. These representatives will have full powers like other members of the Committee.

5. Provision of free landing facilities for gliders and aerotowing aircraft.

6. Provision of free housing facilities, where available, for gliders, winches aerotowing aircraft, jeep etc.

7. Approval of the Gliding Instructors, Chief Engineers by the Director of Civil Aviation before appointment by the club.

8. Submission of audited accounts to the Director General of Civil Aviation in accordance with the instructions and provisions regarding inspection of accounts by officers of the Director General of Civil Aviation and Audit.

9. Provision for establishing of an Accident Reserve Fund for meeting the cost of repairs to gliders, which may be involved in accidents and establishment of a Replacement Fund for replacing gliding equipment which may be worn out by normal wear and tear. The rate of contribution to these funds to be determined by the Director General of Civil Aviation and the contribution should be paid out of general revenues of the club. The accounts in respect of these funds will be opened in the joint name of the Director General of Civil Aviation and the Club and no withdrawals will be permitted without prior approval of the Director General of Civil Aviation.

10. Provision of a clause that no credit will be allowed by the Club to its members for launches.

11. The launches carried out will require to be certified in the manner prescribed by the Director General of Civil Aviation.

12. Fixed subsidy will be payable to the Club in advance in such convenient instalments as may be decided by the Director General of Civil Aviation. Subvention will be payable to the Club after the end of each month. Payment will be authorised on claims to be preferred by the Club in the manner prescribed by the Director General of Civil Aviation.

13. Provision of gliding facilities to members on all days at specified times subject to weather conditions, Club holidays and other special holidays.

14. Provision that activities of the Club shall not be suspended or interrupted without any legitimate reason and with the prior approval of the Director General of Civil Aviation.

15. Approval of the Director General of Civil Aviation should be obtained before making any amendment to the Memorandum and/or Articles of Association.

16. Timely submission of statistical returns by the Club to the Director General of Civil Aviation as may be prescribed by the latter.

17. Provision for termination of the Agreement in case of violation of the terms, non-compliance with instructions or any action not in keeping with the spirit of the Agreement.

18. Provision for reversion to the Government of India of all assets in the event of a Club being wound up.

APPENDIX XV
STANDARD STRENGTH AND SCALES OF PAY OF STAFF AT
GLIDING CLUBS

Staff	Scales of Pay	Strength of staff		
		1500 to 3000	3000 to 4500	4500 to 6000
		launches.....		
1. Chief Gliding Instructor ..	500—40—700	—	1	1
2. Gliding Instructor	350—25—500	1	—	1
3. Maintenance Engineer ..	350—25—500	1	1	1
4. Winch operator-cum-mechanic	175—5—200—10— 250	1	1	1
5. Carpenter	125—5—175	—	1	1
6. Accountant-cum-clerk ..	200	—	—	1
7. Fitter Driver/Mistry	150	1	1	1
8. Junior Clerk, Typist and Store-keeper.	150	1	1	—
9. Helper, Chowkidar, Peon, etc.	100	2	3	4

Serial Nos. 6 to 9 : Suitable scales of pay may be prescribed by the Club authorities based on the average pay indicated above.

STATEMENTS



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STATEMENTS

Statement

No.

1. Statement showing the income, expenditure, surplus/deficit of all the Flying Clubs during the years 1958-59, 1959-60 and 1960-61.
2. Statement showing income of the Flying Clubs for the years 1958-59 to 1960-61.
3. Detailed statement of the income of the Flying Clubs for the years 1958-59, 1959-60 and 1960-61.
4. Summary of expenditure under the various heads incurred by all the Flying Clubs during 1958-59, 1959-60 and 1960-61.
- 5(a) } Detailed statement of expenditure of all the Flying Clubs during the years
5(b) } 1958-59, 1959-60 and 1960-61.
5(c) }
6. Detailed statement of Standard Working Costs of different classes of Clubs.
7. Statement showing the different types of Aircraft at the Flying Clubs owned by the Clubs or loaned by the Government as on 31-3-1962.
8. Statement showing the existing scales of pay (excluding allowances) of the staff at the Flying Clubs.
- 8(a) Statement showing the existing strength of staff as on 31-3-1962 in the various Flying Clubs.
9. Statement showing the total expenditure based on Standard Costs, income from various sources and recommended Subsidy and Subvention for various classes of Flying Clubs (with a graph attached).
10. Statement showing the value of the Aircraft, the amounts at the credit of the Accident Reserve Fund and the investments made in the Flying Clubs as on 31-3-1962.
11. Statement showing the amounts at the credit of the Replacement Reserve Fund in the Flying Clubs.
12. Total members in all the Flying Clubs.
- 12(a) No. of flying members other than the N.C.C. and Free Scholars (State and Central).
- 12(b) Non-flying members in each Club.
- 12(c) Statement showing the number of N.C.C. Cadets during 1959-60, 1960-61 and 1961-62.
- 12(d) Statement showing the number of Central Government scholars in each Flying Club during the years 1959-60, 1960-61 and 1961-62, including those whose training could not be completed during the previous year.
- 12(e) Statement showing the number of State Government Scholars in each Flying Club during the years 1959-60, 1960-61 and 1961-62 including those whose training could not be completed during the previous year.
13. Statement showing the number of launches performed and the number of certificates and badges obtained by the Pilots at the Gliding Clubs for the years 1957-58 to 1961-62.
14. Statement showing the working of the Standard Cost of Gliding Clubs according to the number of launches performed.
- 14(a) Gliding Scheme—Subsidy and Subvention recommended. Graph attached.

STATEMENT No. 1

STATEMENT SHOWING INCOME, EXPENDITURE SURPLUS/DEFICIT OF ALL THE FLYING CLUBS DURING THE YEARS 1958-59, 1959-60 AND 1960-61

Flying Clubs	1958-59			1959-60			1960-61					
	Income	Expendi- ture	Surplus	Deficit	Income	Expendi- ture	Surplus	Deficit	Income	Expendi- ture	Surplus	Deficit
1. Bombay	4,36,064	4,87,949	—	51,885	4,80,236	5,33,450	—	53,214	5,05,251	5,48,360	—	43,109
2. Hind Provincial	7,40,902	9,74,469	—	2,33,567	8,05,573	10,54,755	—	2,49,182	6,96,924	9,67,721	—	2,70,797
3. Madras	2,60,027	2,87,104	—	27,077	2,45,288	2,92,757	—	47,469	2,65,960	3,10,150	—	44,190
4. Bihar	4,44,155	4,46,655	—	2,500	4,65,037	4,61,606	3,431	—	3,44,583	3,73,202	—	28,619
5. Nagpur	2,42,017	2,16,878	25,139	—	2,40,080	2,41,202	—	1,122	2,82,576	2,57,994	24,582	—
6. Delhi	1,74,432	1,99,615	—	25,183	1,80,389	2,00,042	—	19,653	2,25,862	2,28,979	—	3,117
7. Northern India	1,79,317	1,99,219	—	19,902	1,65,276	1,74,875	—	9,599	1,87,784	1,80,852	6,932	—
8. Rajasthan	2,26,322	2,03,775	22,547	—	2,13,019	2,43,243	—	30,224	2,05,504	2,08,722	—	3,218
9. Madhya Pradesh	1,03,428	1,16,663	—	13,235	1,15,795	1,17,455	—	1,660	2,07,294	1,85,784	22,510	—
*10. Govern- ment Fly- ing Train- ing School	1,70,921	1,70,921	—	—	1,95,813	1,95,813	—	—	1,94,948	1,94,948	—	—
11. Andhra Pradesh	1,11,481	1,76,868	—	65,387	1,19,028	1,80,404	—	61,376	1,41,693	2,00,125	—	58,433

12. Coimbatore	—	—	—	—	60,282	18,773	41,509	—	91,548	88,145	3,403	—
13. Kerala	—	—	—	—	54,954	56,894	—	1,940	1,26,146	1,13,349	12,797	—
14. Orissa	1,10,995	1,20,179	—	9,184	94,192	91,016	3,176	—	95,627	98,915	—	3,288
15. Assam	47,033	1,02,561	—	55,928	68,427	1,34,174	—	65,747	1,82,656	1,53,439	29,217	—
16. Gujarat	—	—	—	—	16,100	35,318	—	19,218	1,22,920	1,37,271	—	14,351
17. Bengal	1,34,047	1,33,311	736	—	1,88,785	1,78,455	10,330	—	1,58,556	1,71,513	—	12,957
TOTAL	32,85,760	38,36,167	48,422	5,03,448	37,08,274	42,10,232	58,446	5,60,404	40,35,832	44,18,469	99,441	4,82,078
Total Net Deficit				4,55,026				5,01,958				3,82,637

•The Surplus/Deficit at the Government Flying Training School, Bangalore is adjusted in the accounts of State Government, Mysore.

STATEMENT No. 2
STATEMENT SHOWING INCOME OF THE FLYING CLUBS FOR THE YEARS
1958-59 to 1960-61

		1958-59	1959-60	1960-61
		Rs.	Rs.	Rs.
1.	(a) Central Government Subsidy	8,25,285	8,67,175	9,75,000
	(b) Central Government Subvention	10,00,144	11,00,263	12,05,094
	Sub-Total	18,25,429	19,67,438	21,80,094
2.	(a) State Government Subsidy	1,87,000	1,87,000	2,45,817
	(b) State Government other receipts	8,77,117	8,14,539	9,24,006
	Sub-Total	10,64,117	10,01,539	11,69,823
3.	(a) Membership fees	69,241	1,24,844	98,979
	(b) Other Receipts	4,22,354	6,14,453	5,86,936
	Sub-Total	4,91,595	7,39,297	6,85,915
	TOTAL INCOME	33,81,141	37,08,274	40,35,832

STATEMENT No. 3

Flying Clubs		Central Govt. Subsidy	Central Govt. Subvention	State Govt. Subsidy	State Govt. other receipts	Member-ship fees	Others	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
I. 1958-59								
1.	Bombay .. .. .	..	1,00,000	1,23,560	—	1,20,299	14,224	4,36,064
2.	Hind Provincial .. .. .	..	1,00,000	1,78,315	—	3,67,829	10,560	7,40,902
3.	Madras .. .. .	..	75,000	94,468	25,000	29,442	4,668	2,60,027
4.	Bihar .. .. .	..	75,000	90,566	42,000	1,91,075	3,825	4,44,155
5.	Nagpur .. .. .	..	60,000	1,10,308	25,000	22,306	3,755	2,42,017
6.	Delhi .. .. .	..	65,937	43,580	—	27,126	11,337	1,74,432
7.	Northern India .. .. .	..	60,000	81,119	—	—	2,623	1,79,317
8.	Rajasthan .. .. .	..	60,000	68,141	30,000	30,000	695	2,26,322
9.	Madhya Pradesh .. .. .	..	40,000	48,588	—	—	2,499	1,03,428
10.	Andhra Pradesh .. .. .	..	40,000	34,758	25,000	—	1,790	1,11,481
11.	Government Flying Training School .. .. .	..	40,000	36,836	—	81,190	2,036	1,70,921
12.	Orissa .. .. .	..	40,000	33,412	20,000	—	3,223	1,10,995
13.	Assam .. .. .	..	29,348	13,464	—	—	296	47,033
14.	Bengal .. .. .	..	40,000	43,029	20,000	7,850	7,710	1,34,047
TOTAL		..	8,25,285	10,00,144	1,87,000	8,77,117	69,241	33,81,141
							4,22,354	

STATEMENT No. 3—*contd.*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
II 1959-60								
1.	Bombay	1,00,000	1,30,977	—	1,26,668	13,458	1,09,133	4,80,236
2.	Hind Provincial	1,00,000	1,78,634	—	3,28,448	12,265	1,86,226	8,05,753
3.	Madras	75,000	88,939	25,000	19,733	4,772	31,844	2,45,288
4.	Bihar	75,000	95,705	42,000	2,02,393	3,152	46,786	4,65,037
5.	Nagpur	60,000	1,14,809	25,000	10,287	2,740	27,243	2,40,080
6.	Delhi	60,000	51,504	—	31,070	18,073	19,742	1,80,389
7.	Northern India	60,000	73,008	—	—	2,478	29,790	1,65,276
8.	Rajasthan	60,000	65,302	30,000	—	862	56,855	2,13,019
9.	Madhya Pradesh	40,000	55,977	—	—	1,967	17,851	1,15,795
10.	Coimbatore	7,814	7,710	—	—	40,600	4,158	60,282
11.	Andhra Pradesh	40,000	41,163	25,000	4,165	2,420	6,280	1,19,028
12.	Government Flying Training School	40,000	49,831	—	74,895	1,990	29,096	1,95,813
13.	Kerala	21,685	20,954	—	—	7,473	4,842	54,954
14.	Orissa	40,000	26,481	20,000	3,090	525	4,096	94,192
15.	Assam	40,000	22,270	—	—	495	5,662	68,427
16.	Gujarat	7,676	4,430	—	—	1,890	2,105	16,100
17.	Bengal	40,000	72,568	20,000	13,788	9,684	32,744	1,88,785
TOTAL		8,67,175	11,00,263	1,87,000	8,14,539	1,24,844	6,14,453	37,08,274

iii. 1960-61

1.	Bombay	..	..	..	1,00,000	1,49,006	—	1,47,571	17,060	91,614	5,05,251
2.	Hind Provincial	..	..	..	1,00,000	1,55,428	—	3,28,220	12,883	1,00,393	6,96,924
3.	Madras	..	..	..	75,000	91,305	25,000	13,977	5,030	55,648	2,65,960
4.	Bihar	..	..	..	75,000	92,696	70,817	44,221	5,397	56,452	3,44,583
5.	Nagpur	..	..	..	75,000	85,268	—	83,227	3,345	35,686	2,82,576
6.	Delhi	..	..	..	60,000	79,783	—	34,465	20,477	31,136	2,25,862
7.	Northern India	..	..	..	60,000	70,989	25,000	—	2,719	29,075	1,87,764
8.	Rajasthan	..	..	..	60,000	70,210	—	35,000	1,068	39,225	2,05,504
9.	Madhya Pradesh	..	..	..	40,000	86,508	50,000	—	2,099	28,687	2,07,294
10.	Coimbatore	..	..	..	40,000	28,331	—	—	5,895	17,322	91,548
11.	Andhra Pradesh	..	..	..	40,000	53,622	25,000	10,900	3,430	8,741	1,41,693
12.	Government Flying Training School	..	..	..	40,000	53,120	—	72,213	2,245	27,370	1,94,948
13.	Kerala	..	..	..	40,000	34,019	—	40,000	3,608	8,519	1,26,146
14.	Orissa	..	..	..	40,000	20,851	20,000	5,822	2,162	6,792	95,627
15.	Assam	..	..	..	40,000	29,521	—	1,00,000	1,130	12,005	1,82,656
16.	Gujarat	..	..	..	50,000	47,861	10,000	—	2,197	12,861	1,22,920
17.	Bengal	..	..	..	40,000	56,575	20,000	8,339	8,232	25,410	1,58,556
TOTAL		..	..	..	9,75,000	12,05,094	2,45,817	9,24,006	98,979	5,86,936	40,35,832

STATEMENT No. 4

**SUMMARY OF EXPENDITURE UNDER VARIOUS HEADS INCURRED
BY ALL THE FLYING CLUBS DURING 1958-59, 1959-60 AND
1960-61**

Heads of Expenditure		1958-59	1959-60	1960-61
	HF	(27,840)	(28,180)	(32,570)
		Rs.	Rs.	Rs.
Expenditure on Pilots	CPH	4,51,057 (16·2)	5,32,252 (18·9)	6,29,045 (19·3)
Expenditure on Engineering staff	CPH	7,20,937 (25·9)	8,09,693 (28·7)	8,77,588 (26·9)
Expenditure on Administration	CPH	3,90,017 (14·0)	4,27,300 (15·1)	4,75,264 (14·6)
Depreciation on Aircraft and Engines	CPH	2,31,064 (8·3)	3,32,233 (11·8)	4,11,670 (12·6)
Depreciation on other property	CPH	96,486 (3·4)	96,747 (8·4)	99,377 (3·0)
Insurance and Registration of Aircraft	CPH	1,53,643 (5·5)	1,25,553 (4·4)	1,68,927 (5·2)
Accident Reserve Fund	CPH	89,929 (3·2)	1,02,974 (3·6)	96,417 (2·9)
Petrol and Oil	CPH	6,33,798 (22·7)	6,69,333 (23·7)	7,37,270 (22·6)
Spares consumed	CPH	9,98,152 (14·3)	3,74,758 (13·3)	3,47,390 (10·6)
Other expenses	CPH	6,71,084 (24·1)	7,39,289 (26·2)	5,75,521 (17·6)
TOTAL	CPH	38,36,167 (137·6)	42,10,232 (149·1)	44,18,469 (135·3)

H.F.—Hours flown.

C.P.H.—Cost per hour.

STATEMENT No. 5(a)

DETAILED STATEMENT OF EXPENDITURE OF ALL THE FLYING CLUBS DURING 1958-59

Flying Clubs	Expenditure on Pilots	Expenditure on Engineering staff	Expenditure on Administration	Depreciation on Aircraft & Engines	Depreciation on other property	Insurance & Registration of Aircraft	Accident Reserve Fund	Petrol & Oil	Spares etc. consumed	Other expenses	Total
1. Bombay ..	53,929	78,608	51,210	69,096	13,275	22,939	8,682	56,192	58,709	75,309	4,87,949
2. Hind Provincial ..	1,01,657	2,20,745	1,28,531	58,003	23,883	2,865	35,967	1,42,482	99,416	1,60,920	9,74,469
3. Madras ..	36,289	59,843	43,813	24,632	2,587	994	14,050	63,187	23,273	18,436	2,87,104
4. Bihar ..	39,687	74,679	32,609	—	9,698	16,622	5,065	73,925	29,261	1,65,109	4,46,655
5. Nagpur ..	34,221	42,732	7,349	12,302	6,534	7,392	5,041	57,205	25,542	18,559	2,16,877
6. Delhi ..	25,153	40,513	22,553	2,305	4,137	5,533	3,662	37,790	23,797	34,172	1,99,615
7. Northern India ..	13,816	24,734	11,973	5,250	6,567	24,171	3,699	45,028	31,829	32,152	1,99,219
8. Rajasthan ..	36,040	37,919	15,221	—	952	22,696	3,472	36,450	24,202	26,823	2,03,775
9. Madhya Pradesh ..	24,305	15,595	7,649	3,993	2,469	6,070	2,219	20,704	6,700	26,959	1,16,663
10. Government Flying Training School	18,288	35,209	19,652	15,690	21,499	5,156	1,203	23,017	8,377	22,830	1,70,921
11. Andhra Pradesh ..	20,762	22,777	14,322	23,808	1,052	16,125	1,610	22,115	41,334	12,962	1,76,867
12. Orissa ..	13,577	17,788	9,524	7,222	1,820	10,974	1,777	22,487	10,808	24,202	1,20,179
13. Assam ..	18,933	19,455	11,753	1,190	791	7,540	650	4,685	1,873	35,692	1,02,562
14. Bengal ..	14,400	30,340	13,858	7,573	1,222	4,566	2,832	28,531	13,031	16,959	1,33,312
TOTAL ..	4,51,057	7,20,937	3,90,017	2,31,064	96,486	1,53,643	89,929	6,33,798	3,98,152	6,71,084	38,36,167

STATEMENT No. 5(b)

DETAILED STATEMENT OF EXPENDITURE OF ALL THE FLYING CLUBS DURING 1959-60

Flying Clubs	Expendi- ture on Pilots	Expendi- ture on Engineer- ing staff	Expendi- ture on Adminis- tration	Deprecia- tion on Aircraft & Engines	Deprecia- tion on other property	Insurance & Registra- tion of Aircraft	Accident Reserve Fund	Petrol & Oil	Spares etc. consumed	Other expenses	TOTAL
1. Bombay	57,261	97,022	54,274	75,775	11,121	23,031	9,798	59,761	69,613	75,794	533,450
2. Hind Provincial ..	1,17,762	2,35,181	1,32,149	1,17,186	20,758	4,157	46,333	1,45,051	1,05,485	1,30,695	10,54,755
3. Madras	46,391	61,461	41,749	23,605	3,103	1,031	12,750	54,805	28,449	19,413	2,92,757
4. Bihar	42,375	77,541	35,216	2,055	9,553	17,826	5,098	66,116	24,487	1,81,339	4,61,606
5. Nagpur	34,734	46,355	10,143	13,572	5,713	7,680	5,099	70,293	22,321	25,283	2,41,203
6. Delhi	26,814	43,269	25,356	4,156	5,055	4,037	3,252	32,249	24,993	30,861	2,00,042
7. Northern India ..	12,498	25,789	12,018	13,504	7,175	3,459	3,368	38,306	29,350	29,408	1,74,875
8. Rajasthan	36,313	40,636	13,502	—	972	11,147	3,511	33,096	12,846	91,220	2,43,243
9. Madhya Pradesh ..	25,097	20,195	7,093	5,095	3,868	5,316	2,356	26,847	1,481	20,107	1,17,455
10. Government Flying Training School	20,162	41,060	17,484	18,376	22,225	56,088	1,272	28,257	10,363	31,006	1,95,813
11. Andhra Pradesh ..	24,014	26,232	17,710	25,558	1,492	16,050	1,723	23,391	11,982	31,651	1,80,403
12. Coimbatore	3,750	3,603	3,154	1,475	81	959	394	3,204	24	2,129	18,773
13. Kerala	11,365	8,279	15,532	3,616	1,776	1,735	2,050	8,899	2,139	1,503	56,894
14. Orissa	15,087	20,960	8,976	7,516	313	8,477	1,188	16,047	6,084	6,367	91,015
15. Assam	25,293	32,895	12,450	9,297	1,583	3,387	1,170	12,557	4,434	31,108	1,34,174
16. Gujarat	6,637	6,794	5,958	2,355	181	1,795	192	4,103	372	6,932	35,319
17. Bengal	26,199	22,421	14,536	9,092	1,778	9,848	3,420	46,351	20,335	24,475	1,78,455
TOTAL	5,32,252	8,09,693	4,27,300	3,32,233	96,747	1,25,553	1,02,974	6,69,333	3,74,758	7,39,289	42,10,232

STATEMENT No. 5(c)

DETAILED STATEMENT OF EXPENDITURE OF ALL THE FLYING CLUBS DURING 1960-61

Flying Clubs	Expendi- ture on Pilots	Expendi- ture on Engineer- ing staff	Expendi- ture on Adminis- tration	Deprecia- tion on Aircraft & Engines	Deprecia- tion on other property	Insurance & Registra- tion of Aircraft	Accident Reserve Fund	Petrol & Oil	Spares etc. consumed	Other expenses	TOTAL
1. Bombay ..	63,559	89,235	59,389	76,327	17,984	30,250	11,549	67,611	62,438	70,018	5,48,360
2. Hind Provincial ..	1,16,753	2,17,176	1,30,649	1,13,935	21,056	7,110	32,912	1,33,607	54,250	1,40,273	9,67,721
3. Madras ..	51,578	60,505	46,068	29,899	3,378	1,057	13,287	54,283	26,371	23,724	3,10,150
4. Bihar ..	44,250	83,177	37,247	2,230	8,890	16,565	5,066	87,130	34,695	53,952	3,73,202
5. Nagpur ..	36,694	51,186	11,381	19,143	1,788	21,480	4,751	71,364	16,537	23,670	2,57,994
6. Delhi ..	29,944	45,406	24,891	5,973	3,488	7,141	4,518	44,796	22,519	40,303	2,28,979
7. Northern India ..	12,979	26,788	12,277	22,158	7,249	9,455	3,228	32,309	24,087	30,322	1,80,852
8. Rajasthan ..	40,666	40,504	16,020	—	983	13,540	3,499	37,275	18,509	37,727	1,08,723
9. Madhya Pradesh ..	35,907	25,112	9,654	12,303	3,377	8,686	3,867	47,882	12,715	25,281	1,84,784
10. Government Flying Training School	31,094	39,884	19,917	11,775	20,745	6,419	1,070	28,375	7,630	28,039	1,94,948
11. Andhra Pradesh ..	33,618	46,132	18,811	37,045	1,851	7,727	2,264	19,178	14,560	18,939	2,00,125
12. Coimbatore ..	12,152	18,084	7,832	9,843	537	10,232	1,416	13,276	5,807	8,966	88,145
13. Kerala ..	22,212	22,464	21,327	11,428	2,661	4,353	1,983	14,851	8,252	3,818	1,13,349
14. Orissa ..	46,784	22,144	10,718	13,193	540	5,616	963	11,935	10,638	6,384	98,915
15. Assam ..	20,390	35,410	16,095	15,002	2,263	7,478	1,403	17,374	6,254	31,769	1,53,438
16. Gujarat ..	33,983	23,209	17,341	13,038	1,358	7,428	2,024	16,712	11,969	10,209	1,37,271
17. Bengal ..	26,482	31,172	15,647	18,378	1,229	4,390	2,617	39,312	10,159	22,127	1,71,513
TOTAL ..	6,29,045	8,77,588	4,75,264	4,11,670	99,377	1,68,927	96,417	7,37,270	3,47,390	5,75,521	44,18,469

STATEMENT No. 6

DETAILED STATEMENT OF STANDARD WORKING COSTS OF DIFFERENT CLASSES OF CLUBS

Number of Aircrafts ..	2	3	4	5	6	7	8	9	10
Hours flown ..	800	1200	1600	2000	2400	2800	3200	3600	4000
HEADS OF EXPENDITURE :	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Direct variable cost</i>									
Fuel and Oil ..	16,000	24,000	32,000	40,000	48,000	56,000	64,000	72,000	80,000
Spares for maintenance and C of A of Engine and Airframe.	9,600	14,400	19,200	24,000	28,800	33,600	38,400	43,200	48,000
<i>Depreciation</i>									
Airframe @ 10% ..	2,900	4,350	5,800	7,250	8,700	9,150	11,600	13,050	14,500
Engine @ 1/4500 per flying hour.	1,330	2,000	2,670	3,330	4,000	4,670	5,330	6,000	6,670
Insurance/Accident Reserve Fund.	5,600	8,400	11,200	14,000	16,800	19,600	22,400	25,200	28,000
'A' Total of direct variable cost.	35,430	53,150	70,870	88,580	1,06,300	1,23,020	1,41,730	1,59,450	1,77,170
Direct variable cost per hour.	44-30	44-30	44-30	44-30	44-30	44-30	44-30	44-30	44-30
<i>Direct fixed cost</i>									
Pay, allowances, Provident Fund Contribution, Insurance of Instructional staff.	17,190	23,900	30,995	37,825	37,890	47,950	53,650	60,520	63,690
Pay, allowances, Provident Fund Contribution, Insurance of Engineering staff.	22,075	24,870	32,900	42,315	53,185	58,125	63,195	72,610	80,915

Pay, allowances, Provident Fund Contribution of Administrative staff.	17,860	17,860	23,675	23,675	31,930	33,850	38,295	38,295	40,830
'B' Total of direct fixed cost.	57,125	66,630	87,570	1,03,815	1,23,005	1,39,925	1,55,140	1,71,425	1,85,435
Direct fixed cost per hour.	71.40	55.52	54.73	51.90	51.25	49.80	48.48	47.62	44.43
'C' Office and general expenses (15% of B above).	8,565	9,990	13,140	15,570	18,450	21,005	23,270	25,710	27,810
Office and general expenses cost per hour.	10.70	8.32	8.21	7.78	7.68	7.30	7.25	7.13	6.67
Total cost of operation	1,01,120	1,29,770	1,71,580	2,07,965	2,47,755	2,83,950	3,20,140	3,56,585	3,90,415
Cost of operation per hour.	126.40	108.14	107.24	103.98	103.23	101.40	100.03	99.05	97.60

STATEMENT No. 7

STATEMENT SHOWING THE DIFFERENT TYPES OF AIRCRAFT AT THE FLYING CLUBS OWNED BY THE CLUBS OR LOANED BY THE GOVERNMENT AS ON 31-3-1962

Flying Club	Chipmunk		Piper Cub		Piper Super Cub		Silvaire		Twin Beach		L-5		Bonanza		Tiger Moth		Pushpak		Aeropa Super Chief		Auster		Cessana		HT-2		Aeropa Sedan		Total		No. of		
	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	S	US	
1. Bombay	—	—	1	—	—	—	—	—	—	—	4	1	—	—	—	1	—	—	—	—	—	—	—	—	—	—	—	—	11	2	13		
2. Madras	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3	3	1	1	1	—	—	1	—	—	—	—	—	—	5	5	10		
3. Govt. Flying Training School	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	1	—	—	2	—	1	—	—	—	—	—	—	—	4	1	5		
4. Coimbatore	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	—	—	—	—	—	—	—	—	—	—	—	3	—	3		
5. Delhi	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2	1	3	—	—	—	—	—	—	—	—	—	—	—	5	1	6		
6. Gujarat	—	1	—	—	—	—	—	—	—	—	1	—	—	—	—	—	2	1	—	—	—	—	—	—	—	—	—	—	3	2	5		
7. Kerala	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3	1	—	—	—	—	—	—	1	—	—	—	4	1	5		
8. Bihar	1	1	—	—	—	—	—	—	—	—	—	—	—	—	2	—	2	—	—	—	—	—	—	—	—	—	—	—	5	1	6		
9. Northern India	—	1	—	—	—	—	—	—	—	—	—	—	1	—	1	2	3	—	—	—	—	—	—	—	—	—	—	—	5	3	8		
10. Madhya Pradesh	—	—	—	—	—	—	—	—	—	—	1	—	—	—	1	2	2	1	—	1	—	—	—	—	—	—	—	—	4	4	8		
11. Nagpur	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1	2	1	—	—	—	—	—	—	—	—	—	—	—	5	7	12		
12. Assam	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3	3	—	—	—	—	—	—	—	—	—	—	3	3	6		

13. Rajasthan	—	2	—	—	1	1	—	—	—	—	—	—	2	—	—	—	1	1	—	—	—	—	—	5	4	9		
14. Orissa	1	—	—	—	—	—	—	—	—	—	—	—	—	1	2	—	—	—	—	—	—	—	1	—	3	2	5	
15. Andhra Pradesh	—	1	—	—	—	—	—	—	—	—	—	—	—	—	—	1	3	—	—	—	—	—	—	—	3	2	5	
16. Hind Provincial	2	2	6	5	1	2	1	—	2	—	1	3	1	1	—	—	—	—	—	—	—	—	—	—	14	13	27	
17. Bengal*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTAL	5	5	8	7	5	8	4	1	—	2	—	10	8	4	1	12	18	26	5	3	1	1	1	1	—	82	51	133

*No information available as the Club suspended its activities in May, 1962.

S=Serviceable.

US=Unserviceable.

STATEMENT NO. 8

STATEMENT SHOWING THE EXISTING SCALES OF PAY (EXCLUDING ALLOWANCES) OF THE
STAFF AT THE FLYING CLUBS

	Bombay Flying Club	Hind Provincial Flying Club	Madras Flying Club	Bihar Flying Club	Nagpur Flying Club	Delhi Flying Club	Northern India Flying Club	Rajasthan Flying Club
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Chief Pilot Instructor	800—50—1800	1250—1750	1000—50— 1500	1400	—	1200—50— 1750	1700	1250—1750
Pilot Instructor	450—750	750—50—1050	750—50—1000	750—50—1000	750—50—1050	—	750—50—1050	1250
Asstt. Pilot Instructor	250	430—30—550	550	450—600 400—25—525	400—30—550	—	250	—
Flight Clerk, Senior ..	125—250	80—5—100— 10—200	125—5—170 —8—210	80—7—115	70—4—122	100—10—280	100—5—150 —5—175	125
Flight Clerk, Junior ..	100—175	80—5—100— 10—200	90—5—150	—	—	—	—	—
Chief Engineer	800—50—1800	1250—50— 1550	800—50—1000 —50—1200	—	1050—50— 1250	800—50—1250	750—50—1050	800—50—1250
Deputy Chief Engineer	350—40—750	700—50—1050	—	800—40—1000	550—40—590	—	—	—
Assistant Engineer ..	350—40—750	400—30—550	450—800	350—25—500 —40—700 500 & 350 fixed.	300—25—500	500—25—750	325 & 250	300
Asstt. Radio Engineer	225—25—550	350—25—600	—	—	—	—	—	—
Chief Mechanic	175—275	200—10—300	—	—	190—10—300	250—15—400	—	—
Mechanic I ..	110—10—210	150—7½—210	160—8—240— 10—290	125—200	140—8—220	175—6½—300	125—7½—200	180 & 150
Mechanic II ..	100—10—150	125—5—150	100—5—120— 6—192	60—4—80—5 —115	100—6—172	110	100—5—175 & 120	120
Mechanic III ..	70—5—100	70—4—122	—	60—5—100— 10—150	70—4—122	—	90—3—120	75 & 55
Cleaners I ..	30—70	50—2—80	70—4—90—5 —125	40—70	50—2—80	60—2½—110	60—2½—75	—

Cleaners II ..	30-70	50-2-80	50-3-65-4 -85	30-2-40-3 -70	50-2-80	—	—
Asstt. Secretary ..	400-650	*350-30-650 †350-30-650	450-50-800	†450-25-550 275 fixed.	200-15-350	737	\$300
Chief Accountant ..	350-25-450	250-15-400	225-10-305 -15-420- 20-540	140-7-175- 8-215	200-15-350	373	350-25-650 250
Assistant Accountant	200-350	130-10-250 \$185-350	125-5-170- 8-210 90-5-150	100-7-142- 8-190	120-8-200	100-10-200	125
General Clerk ..	125-250 100-7½-175	100-5-150- 10-200- 80-5-100 -10-200 & 60-4- 100-8-180	—	100-7-142- 8-190	—	—	100-5-150- 5-175 100, 100, 85
Store Keeper ..	—	150-15-300	125-5-170- -8-210	175-15-250 100-180	100-6-172	125-5-200	100-5-150- 5-175 115 & 185
Stores Clerk ..	125-250	80-5-100- 10-200	90-5-150	60-5-85	70-4-122	80-5-150	85
Typist ..	100-175	80-5-100- 10-200	—	80-4-120	70-4-122	100-10-280	—
Office Peon ..	30-70	30-2-50	50-1-65-1½ -80	40-1-50 30-1-40 18-1-28	50-2-80	65-100	60-75 & 75 fixed. 50
Sweeper ..	30-70	25-2-45	60-1-65-1½ -80	17½-½-22½	—	60-1-90	60-½-70 45
Coolie ..	30-70	—	—	—	—	—	—
Watchman ..	30-70	30-2½-55	50-1-65-1½ -80	—	50-2-80	60-1-90	60-70 & 60-2½-75 50
Stenographer ..	—	160-15-280	—	Part time-20	—	—	225
Drivers ..	—	—	—	—	—	—	80-4-120 100

*Personal Assistant to Managing Director.

†Administrative Officer.

†Chief Accounts Officer.

§Office Superintendent.

STATEMENT No. 8—contd.

	Government Flying Training School	Andhra Pradesh Flying Club	Coimbatore Flying Club	Kerala Flying Club	Orissa Flying Club	Assam Flying Club	Gujarat Flying Club	Madhya Pradesh Flying Club
Chief Pilot Instructor	900—40—1100 —50—1300	1500—50— 1750	1250—100— 1550	1500	1200—50— 1500	1400—50— 1750	1700—50— 2000	1200—2000
Pilot Instructor	..	—	—	—	—	—	—	—
Asstt. Pilot Instructor	350—25—600 —30—780— —40—900	700—50— 1000	400	400	700	500—40—740	510—30—750	500, 610 & 200
Flight Clerk, Senior ..	80—3—110— 4—130—5— 150	125—5—150	130—10—240	60—5—110	70—120	100—5—150	40—10—220	100 & 80
Flight Clerk, Junior ..	70—2—80—3 —110	—	—	—	—	—	75 App.	85
Chief Engineer	800—1100	1500—50— 1750	750—50—1050	850—50— 1000	800—100— 1200	—	900	1150—50— 1500
Deputy Chief Engineer	—	—	—	—	—	—	—	—
Asstt. Engineer	350—25—600 —30—780— 40—900	450—50—750	375—25—550	300—25—600	—	400—25—550 225—15—450 210	570—30—750	325, 130, 990
Asstt. Radio Engineer	—	—	—	—	—	—	—	—
Chief Mechanic	..	—	—	—	—	—	—	250
Mechanic I ..	180—10—320	190—10—240	100—5—170	150—200	125—10—225	150—10—250	190—15—310	155, 110, 150
Mechanic II ..	100—5—150 —6—180— 10—240	125—5—150 110—5—140	75—5—90—10 140—5—160	125—5—170	80	125—5—150	160	98, 75
Mechanic III ..	..	60—3—90	—	—	60—5—125	100—5—150 60—4—100	145	Approximate 40 & 30
Cleaners I ..	55—1—65—2 —85	60—3—90	65—5—75	50—2—70	40—2—60	60—3—90—5 —115	90, 70, 60, 45	75, 70, 80 & 55
Cleaners II ..	..	—	50—5—65	40—2—60	20—1—25	45—2—65	60	35 & 45

Assistant Secretary	250—20—350 —25—500	450—50—800	—	*400—50—700	350	300	—	350 & 165 †250
Chief Accountant	150—8—190— —10—270	200—20—300	200—15—350 —25—500	—	120—225	250—10—300 —15—450	220—20—320	150 & 100
Assistant Accountant	—	—	—	100—5—140 60—5—110	—	150—8—190— 10—250	—	—
General Clerk	80—3—110— 4—130—5— 150	140—8—220	—	—	—	100—5—150	110	100 & 90
Store Keeper	110—5—150— 6—180—10 220	125—5—150	—	70—3—100	—	100—5—150	—	100
Stores Clerk	80—3—110— 4—130—5— 150	—	90—6—120— 10—200	—	—	—	120—190 & 110—	60
Typist	—	100—5—140	—	—	Part-time 80—5—120 & 40	—	—	60 & 100
Office Peon	50—1—60	60	40—2—50	40—2—60	36—2—60	45—2—65	60	45
Sweeper	—	30	—	Part-time Rs. 15	36—2—60	25 & 10	15	35
Coolie	50—1—60	—	—	—	—	—	—	—
Watchman	50—1—60	—	50—2—60	40—2—60	36—2—60	60, 50—2—70 & 45—2—65	75	45
Stenographer	110—5—150— 8—190— 10—260— 15—320	100—5—140	90—6—12— 10—200	—	50 Part-time	—	—	—
Drivers	70—1—80—2 —100	—	—	—	—	100—3—115— 5—130	—	—

N.B.—No information available from Bengal Flying Club as it suspended its activities in May, 1962.

*Administrative Officer.

†Office Superintendent.

STATEMENT No. 8(a)

STATEMENT SHOWING THE EXISTING STRENGTH OF STAFF AS ON 31-3-1962 IN THE VARIOUS FLYING CLUBS

Flying Clubs	Total																						
	Chief Pilot Instructor	Pilot Instructor	Asstt. Pilot Instructor	Flight Clerk	Chief Maintenance Engineer	Deputy Chief Engineer	Asstt. Engineer	Asstt. Radio Engineer	Chief Mechanic	Mechanics	Cleaners	Chief Account Officer	Asstt. Secy. Office Officer	Supdt. & Adm. Officer	Chief Accountant	Accounts, General Clerks	Stores Keeper	Stores Clerks	Typist	Steno	Class IV	Social Activities Staff	
1. Bombay	1	3	1	2	1	1	1	1	1	15	13	—	1	1	1	7	—	1	1	1	—	11	3
2. Hind Provincial	4	1	4	*	1	4	3	1	1	25	49	1	4	1	19	*	1	5	6	2	42	—	
3. Madras	1	1	1	2	1	—	—	—	—	8	8	—	1	1	2	1	1	2	—	—	6	3	
4. Bihar	1	1	2	1	—	1	4	—	—	17	14	—	2	1	2	2	2	1	1	1	—	7	
5. Nagpur	—	1	1	2	1	1	1	—	1	9	10	—	1	1	1	1	1	1	1	—	3	36	
6. Delhi	1	—	—	1	1	1	—	—	1	2	4	—	1	1	1	1	1	1	1	—	5	9	
7. Northern India	1	1	2	1	1	—	2	—	—	4	4	—	—	—	1	1	1	—	—	—	9	3	
8. Rajasthan	1	1	—	1	1	—	1	—	—	15	—	—	1	1	4	2	1	—	—	1	8	38	
9. Madhya Pradesh	2	—	3	3	2	—	3	—	—	10	6	—	2	2	2	2	1	2	—	—	8	48	
10. Government Flying Training School	1	—	2	2	1	—	1	—	—	6	5	—	1	1	3	1	1	1	—	1	24	—	
11. Andhra Pradesh	—	1	1	1	1	—	1	—	—	6	8	—	1	1	1	1	1	1	—	1	2	27	
12. Coimbatore	1	—	1	1	1	—	1	—	—	2	3	—	—	—	1	—	—	1	—	1	2	15	
13. Kerala	1	—	1	1	1	—	1	—	—	3	4	—	1	—	—	2	1	—	—	—	4	20	
14. Orissa	1	1	1	1	1	—	—	—	—	5	4	—	1	1	1	—	—	1	1	1	5	1	
15. Assam	1	—	1	1	—	—	3	—	—	5	5	—	1	1	4	1	—	1	—	—	8	31	
16. Gujarat	1	—	1	2	1	—	2	—	—	3	6	—	—	—	1	2	—	2	—	—	3	—	
17. Bengal†	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTAL	19	9	22	22	15	7	26	2	4	135	143	1	18	16	51	15	18	14	8	147	34	726	

*Included in General Clerks.

†No information available.

STATEMENT No. 9

STATEMENT SHOWING THE TOTAL EXPENDITURE BASED ON THE STANDARD COSTS, INCOME FROM
VARIOUS SOURCES AND RECOMMENDED SUBSIDY AND SUBVENTION FOR VARIOUS CLASSES OF
FLYING CLUBS

Hours	Expenditure		Income							Total of	
	Expenditure	Cost per hour	Subscription & other receipts @Rs. 4 per hour	Flying charges @Rs. 10 per hour 85% of total hours	Flying charges @Rs. 25 per hour for 15% of total hours (NCC & others above 37)	Total	Subvention @Rs. 50 (85%) & 35 (15%)	Subsidy	Total of Cols. 8 & 9	Total of Cols. 7, 8 & 9	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
800	1,01,120	126.40	3,200	6,800	3,000	13,000	38,200	50,000	88,200	1,01,200	
1,200	1,29,770	108.14	4,800	10,200	4,500	19,500	57,300	50,000	1,07,300	1,26,800	
1,600	1,715,80	107.24	6,400	13,600	6,000	26,000	76,400	75,000	1,51,400	1,77,400	
2,000	2,07,965	103.98	8,000	17,000	7,500	32,500	95,500	75,000	1,70,500	2,03,000	
2,400	2,47,755	103.23	9,600	20,400	9,000	39,000	1,14,600	1,00,000	2,14,600	2,53,600	
2,800	2,83,950	101.40	11,200	23,800	10,500	45,500	1,33,700	1,00,000	2,33,700	2,79,200	
3,200	3,20,140	100.03	12,800	27,200	12,000	52,000	1,52,800	1,20,000	2,72,800	3,24,800	
3,600	3,56,585	99.05	14,400	30,600	13,500	58,500	1,71,900	1,20,000	2,91,900	3,50,400	
4,000	3,90,415	97.60	16,000	34,000	15,000	65,000	1,91,000	1,30,000	3,21,000	3,86,000	

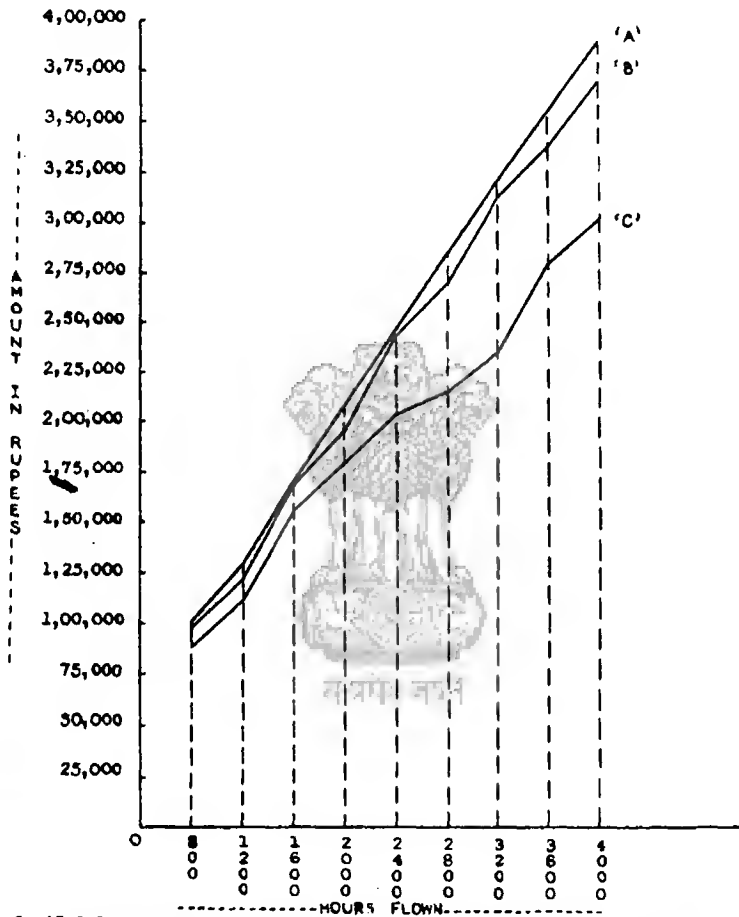


CHART SHOWING:

- 'A'- Total expenditure based on Standard Costs.
- 'B'- Total Flying Receipts-Recommended- i.e. Flying Fees, Recommended Subsidy and Subvention excluding other Miscellaneous receipts.
- 'C'- Total Flying Receipts-Existing- i.e. Flying Fees, Existing Subsidy and Subvention excluding other Miscellaneous receipts.

DRG. N# 2-FG/1963.

DRAWN BY: S.R. NAYAR

STATEMENT No. 10

**STATEMENT SHOWING THE VALUE OF THE AIRCRAFT, THE AMOUNTS
AT THE CREDIT OF THE ACCIDENT RESERVE FUND, AND THE
INVESTMENTS MADE IN THE FLYING CLUBS AS ON 31-3-1962**

Sl. No.	Name of the Clubs	†Total Cost of the aircraft & engines as on 31-3-1962	Amount to the credit of Accident Reserve Fund	Amount invested to Accident Reserve Fund	Shortfall
		Rs.	Rs.	Rs.	Rs.
1.	Hind Provincial Flying Club	6,50,528*	3,80,347	3,41,400	38,947
2.	Bombay Flying Club ..	3,91,496	2,48,919	2,28,163	20,756
3.	Madras Flying Club	1,78,516	1,93,873	1,70,496	23,377
4.	Bihar Flying Club	92,396	53,091	44,894	8,197
5.	Delhi Flying Club	40,971	64,678	57,516	7,162
6.	Nagpur Flying Club	1,57,447	1,12,408	1,12,069	339
7.	Rajasthan Flying Club ..	Govt. loaned aircraft	35,572	33,098	2,474
8.	Northern India Flying Club	1,45,987	70,330	70,330	—
9.	Madhya Pradesh Flying Club	1,05,876*	38,621	36,913	1,708
10.	Andhra Pradesh Flying Club	1,39,303*	54,968	51,403	3,565
11.	Bengal Flying Club	1,32,965*	17,842	17,842	—
12.	Govt. Flying Training School	1,25,566	17,860	17,860	—
13.	Gujarat Flying Club	1,19,189	5,536	3,972	1,564
14.	Assam Flying Club	1,09,163	5,300	3,097	2,203
15.	Kerala Flying Club	75,998	59,854	58,758	1,096
16.	Orissa Flying Club	52,429*	43,367	43,336	31
17.	Coimbatore Flying Club ..	52,413	2,792	2,207	585

*Total cost as on 31-3-61, as the accounts from these Clubs have not been received.

†Club owned aircraft.

Notes :—

- (i) Flying Clubs at Sl. Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17 have insured their fleet and contributed Rs. 2 per hour towards Accident Reserve Fund.
- (ii) Flying Club at Sl. No. 15 has insured an uninsured aircraft and contributes Rs. 2, Rs. 5, Rs. 10 and Rs. 11 per hour towards Accident Reserve Fund.
- (iii) Flying Club at Sl. No. 2 has insured an uninsured aircraft and contributes Rs. 2 and Rs. 5 per hour respectively towards Accident Reserve Fund.
- (iv) Flying Clubs at Sl. Nos. 1 & 3 have not insured their fleet and contribute Rs. 5, Rs. 10 and Rs. 11 per hour towards Accident Reserve Fund.

STATEMENT No. 11

STATEMENT SHOWING THE AMOUNTS AT THE CREDIT OF THE
REPLACEMENT RESERVE FUND IN THE FLYING CLUBS

Flying Clubs								As on 31-3-1961	As on 31-3-1962
1.	Bombay	..	..	..	..	..	..	55,862	57,776
2.	Hind Provincial	..	..	..	..	..	..	—	—
3.	Madras	..	..	..	..	..	..	23,135	24,854
4.	Bihar	..	..	..	..	..	..	6,632	6,632
5.	Nagpur	..	..	..	..	..	..	—	8,000
6.	Delhi	..	..	..	..	..	..	—	—
7.	Northern India	..	..	..	..	..	..	10,854	10,854
8.	Madhya Pradesh	..	..	..	..	..	..	—	—*
9.	Rajasthan	..	..	..	..	..	..	—	—*
10.	Government Flying Training School	..	..	..	..	..	..	—	—
11.	Andhra Pradesh	..	..	..	..	..	..	—	—*
12.	Coimbatore	..	..	..	..	..	..	—	500
13.	Kerala	..	..	..	..	..	..	2,000	2,000
14.	Orissa	..	..	..	..	..	..	5,299	—*
15.	Assam	..	..	..	..	..	..	—	—*
16.	Gujarat	..	..	..	..	..	..	—	—
17.	Bengal	..	..	..	..	..	..	—	—*

*Accounts not received.

STATEMENT No. 12

TOTAL MEMBERS IN ALL THE FLYING CLUBS

					31-3-1960	31-3-1961	31-3-1962
1.	Flying Members	..	..	..	1,621	1,710	1,931
2.	Non-flying Members	..	..	..	867	958	1,038
3.	N.C.C. Cadets	..	..	..	257	246	219
4.	Central Government Scholars	..	..	..	69	78	85
5.	State Government Scholars	..	..	..	144	176	251
TOTAL				..	2,958	3,168	3,524

N.B.—Bengal Flying Club's figures not available.

STATEMENT No. 12(a)

NUMBER OF FLYING MEMBERS OTHER THAN THE NCC AND
FREE SCHOLARS (STATE AND CENTRAL)

Flying Clubs						31-3-1960	31-3-1961	31-3-1962
1.	Bombay	..	..	..	..	553	599	737
2.	Hind Provincial	..	..	..	..	197	202	156
3.	Madras	..	..	..	..	102	126	127
4.	Bihar	..	..	..	..	5	5	5
5.	Nagpur	..	..	..	..	109	111	71
6.	Delhi	..	..	..	..	91	110	123
7.	Northern India	..	..	..	..	142	143	217
8.	Rajasthan	..	..	..	..	92	101	119
9.	Madhya Pradesh	..	..	..	..	42	56	73
10.	Government Flying Training School	..	..	..	..	15	12	11
11.	Andhra Pradesh	..	..	..	..	33	21	30
12.	Coimbatore	..	..	..	..	45	54	54
13.	Kerala	..	..	..	..	27	38	52
14.	Orissa	..	..	..	..	46	71	76
15.	Assam	..	..	..	..	85	34	29
16.	Gujarat	..	..	..	..	37	27	51
TOTAL						1,621	1,710	1,931

N.B.—Bengal Flying Club's figures not available.

STATEMENT NO. 12(b)

NON-FLYING MEMBERS IN EACH CLUB

Flying Clubs						31-3-1960	31-3-1961	31-3-1962
1.	Bombay	..	..	..	..	120	130	150
2.	Hind Provincial	..	..	..	..	125	146	115
3.	Madras	..	..	..	..	9	9	9
4.	Bihar	..	..	..	..	66	65	65
5.	Nagpur	..	..	..	..	41	38	40
6.	Delhi	..	..	..	..	135	150	192
7.	Northern India	..	..	..	..	54	59	97
8.	Rajasthan	..	..	..	..	38	34	24
9.	Madhya Pradesh	..	..	..	..	32	32	32
10.	Government Flying Training School	..	..	..	..	8	16	21
11.	Andhra Pradesh	..	..	..	..	3	3	—
12.	Coimbatore	..	..	..	..	20	19	19
13.	Kerala	..	..	..	..	81	88	92
14.	Orissa	..	..	..	..	36	58	60
15.	Assam	..	..	..	..	18	18	18
16.	Gujarat	..	..	..	..	81	93	104
17.	Bengal*	..	..	..	..	—	—	—
TOTAL						867	958	1,038

*No figures received.

STATEMENT No. 12(c)
STATEMENT SHOWING THE NUMBER OF NCC CADETS
DURING 1959-60, 1960-61 AND 1961-62

Flying Clubs					1959-60	1960-61	1961-62
1.	Bombay	..	..	..	44	39	24
2.	Hind Provincial	..	..	..	48	40	47
3.	Madras	..	..	..	32	20	15
4.	Bihar	..	..	..	10	8	—
5.	Nagpur	..	..	..	42	32	42
6.	Delhi	..	..	..	16	11	15
7.	Northern India	..	..	..	16	21	9
8.	Rajasthan	..	..	..	17	19	13
9.	Madhya Pradesh	..	..	..	—	10	9
10.	Government Flying Training School	..	..	..	12	16	9
11.	Andhra Pradesh	..	..	..	2	12	16
12.	Coimbatore	..	..	..	—	—	—
13.	Kerala	..	..	..	—	—	—
14.	Orissa	..	..	..	18	18	18
15.	Assam	..	..	..	—	—	—
16.	Gujarat	..	..	..	—	—	2
TOTAL					257	246	219
No. of hours flown					4,336	4,255	4,420

N.B.—Bengal Flying Club's figures not available.

STATEMENT No. 12(d)

STATEMENT SHOWING THE NUMBER OF CENTRAL GOVERNMENT
SCHOLARS IN EACH FLYING CLUB DURING THE YEARS 1959-60,
1960-61 AND 1961-62 INCLUDING THOSE WHOSE TRAINING COULD
NOT BE COMPLETED DURING THE PREVIOUS YEAR

Flying Clubs					1959-60	1960-61	1961-62
1.	Bombay	..	..	..	3	2	2
2.	Hind Provincial	..	..	..	6	3	4
3.	Madras	..	..	..	5	6	5
4.	Bihar	..	..	..	4	4	1
5.	Nagpur	..	..	..	8	6	7
6.	Delhi	..	..	..	4	4	4
7.	Northern India	..	..	..	6	6	7
8.	Rajasthan	..	..	..	4	4	3
9.	Madhya Pradesh	..	..	..	4	8	8
10.	Government Flying Training School	..	..	..	5	4	5
11.	Andhra Pradesh	..	..	..	6	8	7
12.	Coimbatore	..	..	..	—	3	4
13.	Kerala	..	..	..	4	8	8
14.	Orissa	..	..	..	4	4	4
15.	Assam	..	..	..	6	4	8
16.	Gujarat	..	..	..	—	4	8
17.	Bengal*	..	..	..	—	—	—
TOTAL					69	78	85
No. of hours flown					1,196	1,336	1,359

*No figures received.

STATEMENT No. 12(c)

STATEMENT SHOWING THE NUMBER OF STATE GOVERNMENT
SCHOLARS IN EACH FLYING CLUB DURING THE YEARS 1959-60,
1960-61 AND 1961-62 INCLUDING THOSE WHOSE TRAINING COULD
NOT BE COMPLETED DURING THE PREVIOUS YEAR

Flying Clubs						1959-60	1960-61	1961-62
1.	Bombay	..	..	..	..	—	—	—
2.	Hind Provincial	..	..	..	..	8	11	20
3.	Madras	..	..	..	..	34	41	36
4.	Bihar	..	..	..	..	40	44	39
5.	Nagpur	..	..	..	..	—	—	—
6.	Delhi	..	..	..	..	10	9	9
7.	Northern India	..	..	..	..	—	—	17
8.	Rajasthan	..	..	..	..	6	3	3
9.	Madhya Pradesh	..	..	..	..	—	10	28
10.	Government Flying Training School	..	..	..	..	—	2	3
11.	Andhra Pradesh	..	..	..	..	16	13	18
12.	Coimbatore	..	..	..	..	—	—	—
13.	Kerala	..	..	..	..	—	—	10
13.	Orissa	..	..	..	..	20	20	20
14.	Assam	..	..	..	..	10	7	12
16.	Gujarat	..	..	..	..	—	16	36
17.	Bengal*	..	..	..	..	—	—	—
TOTAL						144	176	251
No. of hours flown						3,384	4,409	6,846

*No figures received.

STATEMENT No. 13

STATEMENT SHOWING THE NUMBER OF LAUNCHES PERFORMED AND THE NUMBER OF CERTIFICATES AND BADGES OBTAINED BY THE PILOTS AT THE GLIDING CLUBS FOR THE YEARS 1957-58 TO 1961-62

Years	Number of launches			Glider Certificates					
	Instruc- tional	Joy Rides	Total	'A'	'B'	'C'	Silver 'C'	Gold 'C'	Diamond Pin
D 1957-58	1,546	470	2,016	7	8	3	—	—	—
E 1958-59	3,368	712	4,080	33	26	15	—	—	—
L 1959-60	4,896	1,033	5,929	28	26	9	2	—	—
H 1960-61	4,357	633	4,990	18	18	15	2	3	2
I 1961-62	2,888*	1,163	4,051	10	7	5	3	2	2
TOTAL	17,055	4,011	21,066	96	85	47	7	5	4
P 1957-58	—	—	—	—	—	—	—	—	—
I 1958-59	367	141	508	—	—	—	—	—	—
L 1959-60	495	75	570	4	3	2	—	—	—
A 1960-61	1,203	428	1,631	5	6	1	—	—	—
N 1961-62	2,022†	469	2,491	14	14	10	—	—	—
I									
TOTAL	4,087	1,113	5,200	23	23	13	—	—	—

*Includes 228 launches done by Free Scholars.

†Includes 502 launches done by Free Scholars.

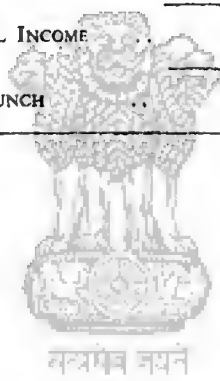
STATEMENT No. 14
STATEMENT SHOWING THE WORKING OF THE STANDARD-COST OF GLIDING CLUBS ACCORDING TO THE
NUMBER OF LAUNCHES PERFORMED

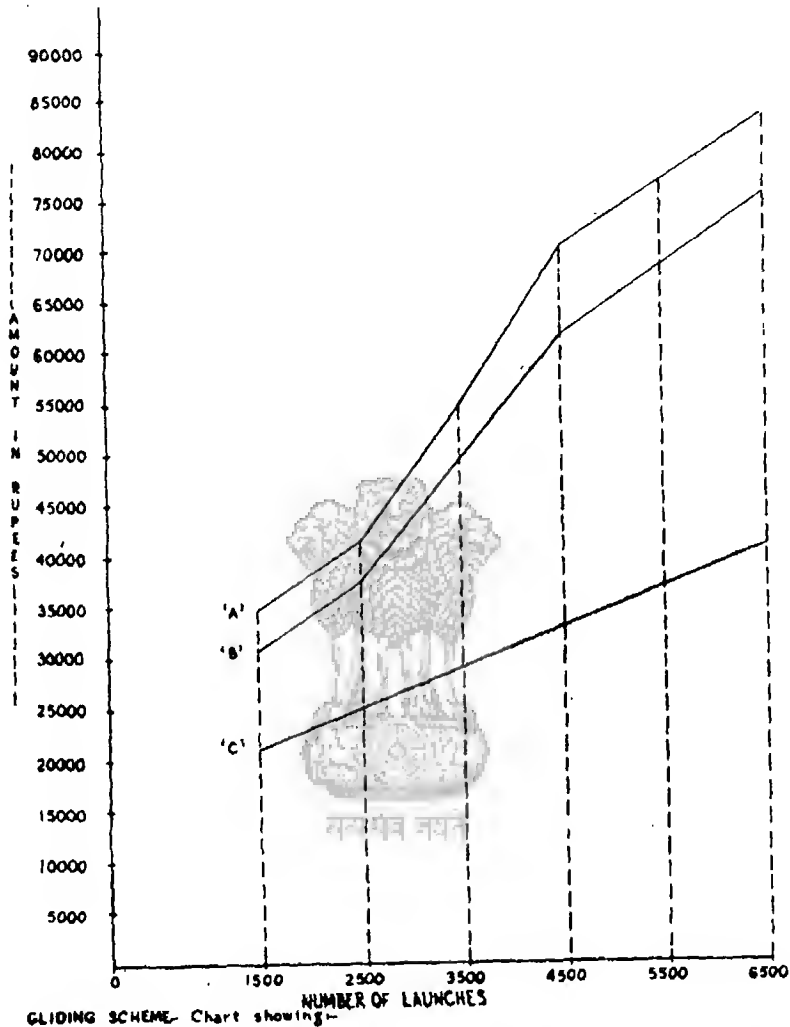
Sl. No.	Items	1500 launches to 3000 launches			3000 launches to 4500 launches			4500 launches to 6000 launches & onwards		
		Mean—2250 launches		Cost per launch	Mean—3750 launches		Cost per launch	Mean—5250 launches		Cost per launch
		(3 Gliders)			(5 Gliders)			(7 Gliders)		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1.	Salaries & allowances of staff ..	21,300-00	9-47		27,300-00			35,100-00		6-69
2.	Insurance of Gliders ..	3,037-50	1-35		5,062-50			7,087-50		1-35
3.	Insurance of Gliding Instructors ..	150-00	0-07		200-00			350-00		0-07
4.	Other expenses (10% of 1 above)	2,130-00	0-95		2,730-00			3,510-00		0-67
5.	Cost of Cables ..	5,062-50	2-25		8,437-50			11,812-50		2-25
6.	Petrol & Oil Winch ..	900-00	0-40		1,500-00			2,100-00		0-40
	Do. Jeep ..	1,350-00	0-60		2,250-00			3,150-00		0-60
7.	Maintenance of Gliders ..	2,250-00	1-00		3,750-00			5,250-00		1-00
8.	Maintenance of Jeeps and Winch	1,350-00	0-60		2,250-00			3,150-00		0-60
9.	Accident Reserve Fund ..	562-50	0-25		937-50			1,312-50		0-25
10.	Depreciation of Equipment and Furniture.	200-00	0-09		400-00			400-00		0-08
11.	Provision of Provident Fund ..	1,331-25	0-59		1,706-25			2,193-75		0-41
	TOTAL	39,623-75	17-62		56,523-75			75,416-25		14-37

STATEMENT No. 14(a)

GLIDING SCHEME-SUBSIDY AND SUBVENTION RECOMMENDED

	1500 launches to 3000 launches	3000 launches to 4500 launches	4500 launches to 6000 launches & onwards 5250
Mean:	2250	3750	
	Rs.	Rs.	Rs.
1. Flying fees from Members @ Re. 1 per launch ^e	2,250	3,750	5,250
2. Miscellaneous Income including Subscription etc. @ Re. 1 per launch.	2,250	3,750	5,250
3. Subvention @ Rs. 6 per launch	13,500	22,500	31,500
4. Subsidy	20,000	25,000	30,000
TOTAL INCOME	38,000	55,000	72,000
INCOME PER LAUNCH	16.9	14.66	13.7





- 'A'. Total expenditure based on Standard Costs.
- 'B'. Total income Recommended i.e. Flying receipts and recommended rates of Subsidy and Subvention (excluding other Miscellaneous receipts, Members subscription etc.....)
- 'C'. Total income Existing i.e. Flying receipts and existing rates of subsidy and subvention (excluding other Miscellaneous receipts, Members subscription etc.....)

DRG NR. 1-F.G/1963.



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